

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

FORM 3

AMENDED REPORT ☐  
(highlight changes)

APPLICATION FOR PERMIT TO DRILL			5. MINERAL LEASE NO: UTU 84683	6. SURFACE: Federal
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: CrownQuest Operating, LLC			9. WELL NAME and NUMBER: Montezuma 41-17-74 2X	
3. ADDRESS OF OPERATOR: P.O. Box 2221 CITY Farmington STATE NM ZIP 87499			10. FIELD AND POOL, OR WILDCAT: Wildcat	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 619' FNL x 1031' FEL AT PROPOSED PRODUCING ZONE:			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 17 37S 24E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 619'			12. COUNTY: San Juan	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 619'	16. NUMBER OF ACRES IN LEASE: 2234	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 160		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 100' (original well P&A'd)	19. PROPOSED DEPTH: 6,238	20. BOND DESCRIPTION: RLB 0007554		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5719' GL	22. APPROXIMATE DATE WORK WILL START: 10/1/2007	23. ESTIMATED DURATION: 60 days		

24. PROPOSED CASING AND CEMENTING PROGRAM						
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT	
16"	13 3/8"	H40	48	150	class 'G', 250 sks	1.15 cf/sk- 15.8 ppg
12 1/4"	9 5/8"	J55	36	1,980	65/35 Poz, 450 sks	1.75 cf/sk 12.8 ppg
					class 'G', 100 sks	1.15 cf/sk 15.8 ppg
7 7/8"	5 1/2"	P110	17	6,238	25/75 Poz, 600 sks	1.74 cf/sk 11.8 ppg
					LiteCrete, 300 sks	1.61 cf/sk 12.5 ppg

25. ATTACHMENTS	
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:	
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Robert R. Griffie TITLE Operations Manager  
SIGNATURE Robert R. Griffie DATE 8/14/2007

(This space for State use only)

Approved by the  
Utah Division of  
Oil, Gas and Mining

API NUMBER ASSIGNED:

43-037-31874

Date: 10-03-07  
By: [Signature]  
(See Instructions on Reverse Side)

(11/2001)

Federal Approval of this  
Action is Necessary

RECEIVED  
SEP 25 2007

DIV. OF OIL, GAS & MINING

# UTAH WELL LOCATION PLAT

OPERATOR Crown Quest Operating  
 LEASE MONTEZUMA WELL NO. 41-17-74-2X  
 SECTION 17 TOWNSHIP 37 SOUTH RANGE 24 EAST SALT LAKE P.M.  
 COUNTY San Juan UTAH

FOOTAGE LOCATION OF WELL: 619 FEET FROM THE North LINE and  
1031 FEET FROM THE East LINE and

GROUND LEVEL ELEVATION: 5719.05



SURFACE USE WITHIN 200' RADIUS: No Improvements Within 200' - Pasture

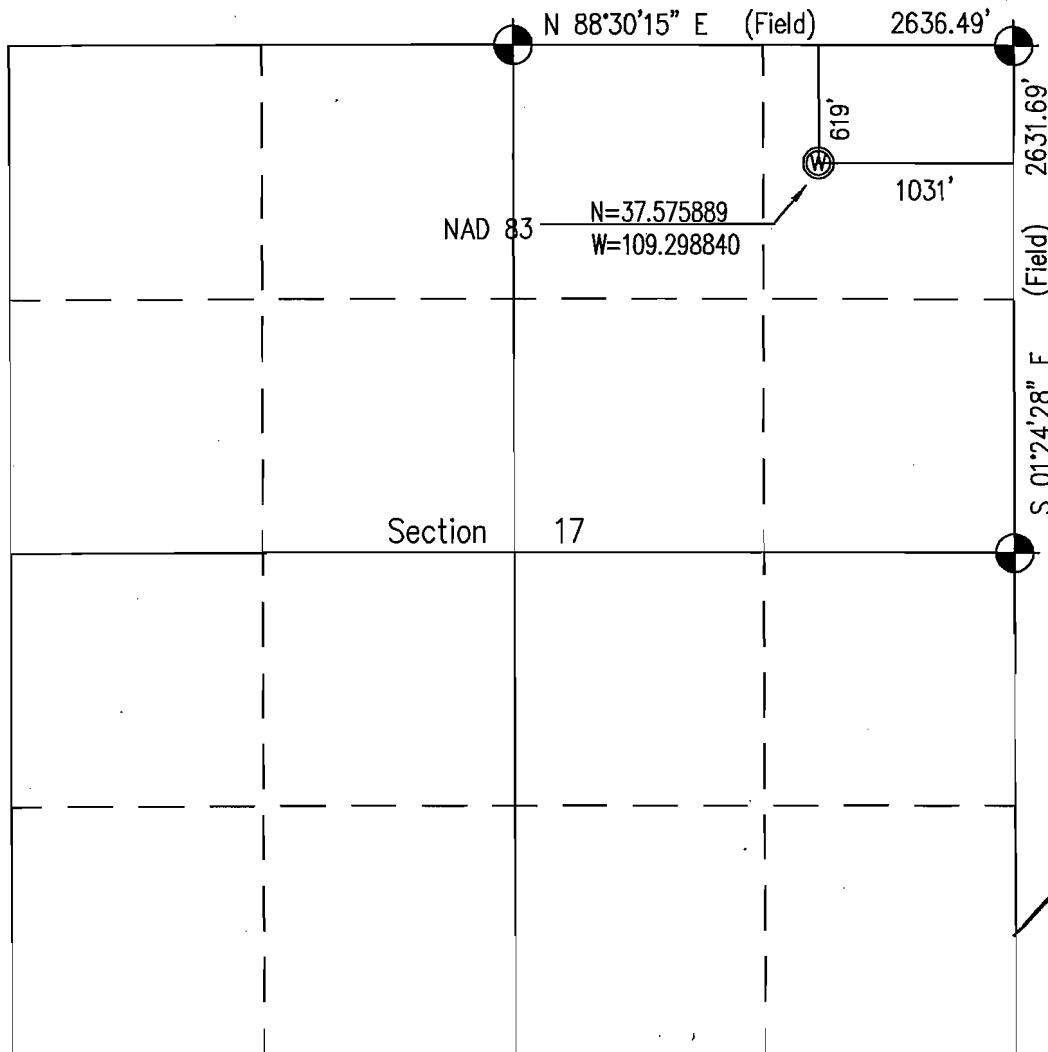
BASIS OF BEARING: GPS Data - NAD 83- PDOP#1.5

BASIS OF ELEVATION: GPS Data - Diff. corrections Omnistar

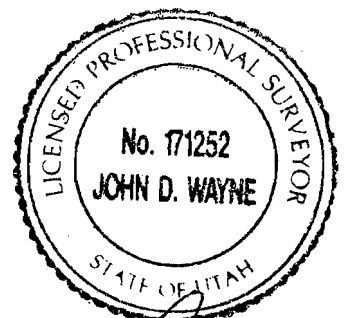
500' 500'  
 1" = 1000'

Some information on this plat is based on information taken from previous surveys, record information, or collateral evidence and may not reflect that which may be disclosed by a complete boundary survey. This plat is not to be relied on for the establishment of surface boundaries, fences, buildings, or other future improvements.

 GLO BC  
 WELL Location



I hereby certify that the proposed well location shown on this plat was prepared from field notes of an actual survey by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief, and that there are no visible improvements within 200 feet of this proposed wellhead, unless noted otherwise.



John D. Wayne  
 Professional L.S. #171252  
 State of Utah

AUGUST 6, 2007

Date Surveyed:

AUGUST 21, 2007

Date Platted:

SCALE: 1" = 1000'

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## Drilling Plan

**Well Name:** Montezuma 41-17-74 2X

**Surface Location:** 619' FNL x 1031' FEL, Section 17, T37S, R24E  
San Juan County, Utah

**Target Formation:** Pennsylvanian

**Elevation:** 5719' GL

### Geology:

Formation	Top	Probable Content
Morrison	Surface	
Entrada Ss	285'	potential fresh water
Navajo Ss	490'	potential fresh water
Chinle Fm	1380'	vari-color shale
Shinarump Ss	2080'	gas/water
Moenkopi Fm	2164'	brn-red sltst/sh
Cutler (top of Permian)	2270'	prpl crs ss/sh; potential fresh water
Honaker Trail (top of Penn)	4200'	ls; potential gas, brine
Upper Ismay	5462'	gas/oil/brine
Desert Creek	6064'	gas/oil/brine
TD	6238'	

**Logging Program:** Triple Combo including Induction, Neutron/Density, and Sonic logs from TD to surface casing shoe.

### Clean-out Fluid Program:

Interval	Fluid Type	Weight	Viscosity	Fluid Loss
0' – 1980'	fresh water/gel	8.4 ppg	n/a	no control
1980' – 6238'	fresh water/gel/polymer	9.2 ppg	30 – 80 sec	10

### Casing Program:

Interval	Hole Diameter	Csg Size	Wt.	Grade	Thread
Conductor					
0' – 150'	16"	13 3/8"	48 ppf	H40	STC
Surface					
0' – 1980'	12 1/4"	9 5/8"	36 ppf	J-55	LTC
Production					
0' – 6238'	7 7/8"	5 1/2"	17 ppf	P110	LTC

**Tubing Program:** 0 – 6200', 2 3/8", 4.7 ppf, J55, EUE

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## **BOPE and Wellhead Specifications and Testing:**

For drilling operations from conductor casing shoe to 1980': 13 5/8", 2000 psi, threaded casing head with two 2" outlets. 13 5/8", 2000 psi double gate BOP and 2000 psi choke manifold (see figures 1 and 2). Pressure test conductor casing to 600 psi prior to drilling out of conductor casing shoe. Pressure test BOPE to 2000 psi.

For drilling operations from surface casing shoe to TD (6238'): Cut off 13 5/8" casing and casing head. Install 9 5/8", 3000 psi, SOW casing head. 11", 3000 psi double ram BOP and 3000 psi annular preventor. 3000 psi choke manifold (see figures 3 and 4). Pressure test BOPE to 3000 psi and 9 5/8" surface casing to 3000 psi prior to drilling out of surface casing shoe.

For completion operations: 5 1/2" x 2 3/8", 5000 psi tree assembly. 7 1/16", 5000 psi double gate BOP system. 5000 psi choke manifold (see figures 3 and 4). Pressure test 5 1/2" casing to 5000 psi prior to frac'ing. The 5000 psi pressure rating is for possible frac treatment pressures and is far in excess of 3000 psi BOP equipment required to control anticipated formation pressure.

### **General Operation:**

- Actuate pipe rams once each day during clean-out operations. Actuate blind rams once each trip.
- An upper Kelly cock valve, with handle, will be available on the rig floor to fit each drilling string.
- BOP pit level drill will be conducted weekly for each drilling crew.
- All BOP tests and drills will be recorded in the daily drilling report.
- Blind and pipe rams will be equipped with extension hand wheels.

### **Cementing Program:**

**13 3/8" Conductor Casing String:** Run casing with saw-tooth guide shoe on bottom, insert float valve one joint from bottom, and install 1 bow-spring centralizer in the middle of the 1<sup>st</sup> joint and one at 88'. Cement to surface with 250 sks class 'G' with 1/4 #/sk celloflake and 2% CaCl<sub>2</sub> (1.15 cf/sk, 15.8 ppg). Perform top job as necessary. This string may be set with a rat-hole machine prior to moving on the drilling rig.

**9 5/8" Surface Casing String:** Run casing with swirl pattern guide shoe on bottom and non-differential fill float collar one joint from bottom. Centralize with one centralizer in the middle of the first joint, one centralizer every other collar for the next three collars, and one centralizer inside the conductor casing shoe. Cement to surface with 450 sks 65/35 poz + 6% gel + 6 #/sk gilsonite + .25 #/sk celloflake (12.8 ppg, 1.75 cf/sk), followed by 100 sks class 'G' + 2% CaCl<sub>2</sub> (15.8 ppg, 1.15 cf/sk).

**5 1/2" Production Casing String:** Run casing with float shoe on bottom, float collar one joint from bottom. Install one centralizer in the middle of the first joint, one on every other collar from TD to the top of the Honaker Trail formation, and one inside the surface casing shoe. Cement with

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600 sks 25/75 Poz TXI blend (11.8 ppg, 1.74 cf/sk) followed with 300 sks LiteCrete + gas block (12.5 ppg, 1.61 cf/sk) Top of cement calculated to be at 1500'.

**Special Drilling Operations:**

None anticipated

**Additional Information:**

- This well is designed to be completed in the Pennsylvanian formations.
- Bottom-hole pressure is calculated to be 2850 psi at 6064', 0.47 psi/ft. Adequate weighting material will be kept on location to maintain mud weight.
- LCM will be added to the mud system as required to maintain circulation.
- Estimated formation pressures:
  - Ismay 2567 psi
  - Desert Creek 2850 psi

**Completion Information:**

The completion procedure will be prepared after cased-hole logs are analyzed. The well will be completed by frac and acid treatments.

Prepared by: Robert R. Griffie  
Operations Manager  
Date: 8/14/06

Montezuma 41-17-74 2X  
Thirteen Point Surface Use Plan

1) Existing Roads

- a) The proposed route to the location is shown on the attached Topographical Map.
- b) The well pad is located approximately 25 miles South, Southeast of Blanding Utah.
- c) If necessary, an encroachment permit will be obtained from San Juan County, Utah for use of the existing county roads (CR #206, CR #204 & CR #2381). Approximately 13 miles of CR #206 and 5 miles of CR #204 and 1.75 miles of CR #2381 will be used to access the well site.

2) Access Road

- a) CR #2381 provides access to the well site.
- b) One cattle guard is in place on CR 2381 at West end of location..
- c) There are no existing roads outside the lease or unit boundary for which a BLM right-of-way is required .

b) Location of existing wells

See attached Topographical Map for the location of existing wells in the area of this proposed well site.

c) Location of Production Facilities

- a. In the event the well is brought to production, necessary production equipment will be determined and a diagram will be submitted showing the layout of such equipment on the location site.
- b. Off-site facilities: No off-site facilities are required.
- c. Pipelines: A 6" pipeline (Tank Canyon Pipeline) crosses West corner of location.

All permanent (in place for six months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows: Juniper Green.

All site security guidelines identified in 43 CFR 3162.7-5 and Onshore Oil and Gas Order No. 3 shall be followed.

If a gas meter run is constructed it will be located on the lease within 500 feet of the well head. The gas flow line will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and /or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provisions of 43 CFR 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.

If a tank battery is constructed on this lease, it will be surrounded by a berm of sufficient capacity to contain 1 ½ times the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All oil production and measurement shall conform to the provisions of 43 CFR 3162.7-3, Onshore Oil and Gas Order No. 4.

Production facilities on location may include a lined or unlined production water pit as specified. If water is produced from the well an OOGO #7 application must be submitted.

d) Location and Type of Water Supply

All water needed for drilling and completion purposes will be obtained from the City of Blanding, Utah ( NW 1/4, Section 27, T36S, R22E.).

e) Source of Construction Material

It is not anticipated that additional construction materials will be required for construction of the well pad, pit, and access road for drilling operations. Gravel and rock for upgrading the access roads to Class III Standards will be obtained from a private source, if needed. If additional materials are required, they will be obtained from a private source. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

f) Methods of Handling Waste Water Disposal

All garbage and trash materials will be contained in a trash cage and removed from the site for proper disposal as necessary, but no later than at the conclusion of drilling operations. Portable toilets will be provided and serviced appropriately.

The first 6 inches of top soil will be removed, stockpiled along the Northern edge of the well pad and reserved for reclamation. The drill pad is approximately 250' x 550'. The reserve pit is in the Southeast corner of the drill pad and is approximately 200' x 75' x 10' with 3:1 slopes. Upon inspection, the reserve will be re-lined if necessary. Three sides of the reserve pit will be fenced prior to drilling operations and the fourth side of the pit will be fenced when drilling operations cease. The fence will be constructed using 32" woven wire topped with two smooth wire strands 4" and 16" above the woven wire. Steel T-posts will be set 16.5' apart and two stays will be used between the posts. Corner posts will be 6" or more and anchored with deadmen. The fence will be kept in repair while the

pit dries. It is anticipated 2-3 days will be needed to dress up the well pad, reserve pit and access. No new surface disturbance is anticipated. The reserve pit is located in the cut, with 100% of the pit volume being below the original ground level. Wildlife protection, consisting of appropriate netting, will be used to cover the reserve pit.

g) Ancillary Facilities

N/A

h) Well Site Layout

All existing wells in the vicinity of this well pad are shown on the attached Topographical Map. Access to the well pad will be shown on the Topographical Map.

i) Plans for Restoration of the Surface

The top 6 inches of topsoil material will be removed from the location and stockpiled separately on the north side of the pad.

Immediately upon completion of drilling, all equipment that is not necessary for production will be removed.

Before any dirt work to restore the location takes place, the reserve pit must be completely dry.

All road surfaces will be removed prior to the rehabilitation of roads.

Reclaimed roads will have the berms and cuts reduced and will be closed to vehicle use.

All disturbed areas will be recontoured to replicate the natural slope.

The stockpiled topsoil will be evenly distributed over the disturbed area.

Prior to reseedling, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

Seed will be broadcast or drilled between Oct. 1 and Feb. 28, or at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

The following seed mixture will be used: 3 Indian ricegrass, 2 4wing, 2 Gallefa grass, 2 Mexican cliffrose, 1 Sand dropseed.



In the event the well is abandoned an abandonment marker will be place below ground level. The marker will supply the operator name, lease number, well name and surveyed description ( township, range, section and either quarter-quarter or footages).

11) Surface and Mineral Ownership

Both the surface and the minerals are owned by the BLM.

12) Other Information

a) Archaeological Concerns: See archaeological report

The operator is responsible for informing all persons in the area who are associated with this project that they will be prosecuted for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and will contact the authorized officer (AO). Within five (5) working days, the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
- a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that the mitigation is appropriate.
- If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide the technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will be allowed to resume construction.

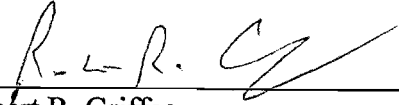
b) Threatened and Endangered Species Concerns: No known concerns.

c) Wildlife Seasonal Restrictions (yes/no): Deer Winter Range December 15 – April 30.

d) Off Location Geophysical Testing: N/A

e) Drainage crossing that require additional State or Federal approval: N/A

f) Other: Anticipated spud date, October 1, 2007.



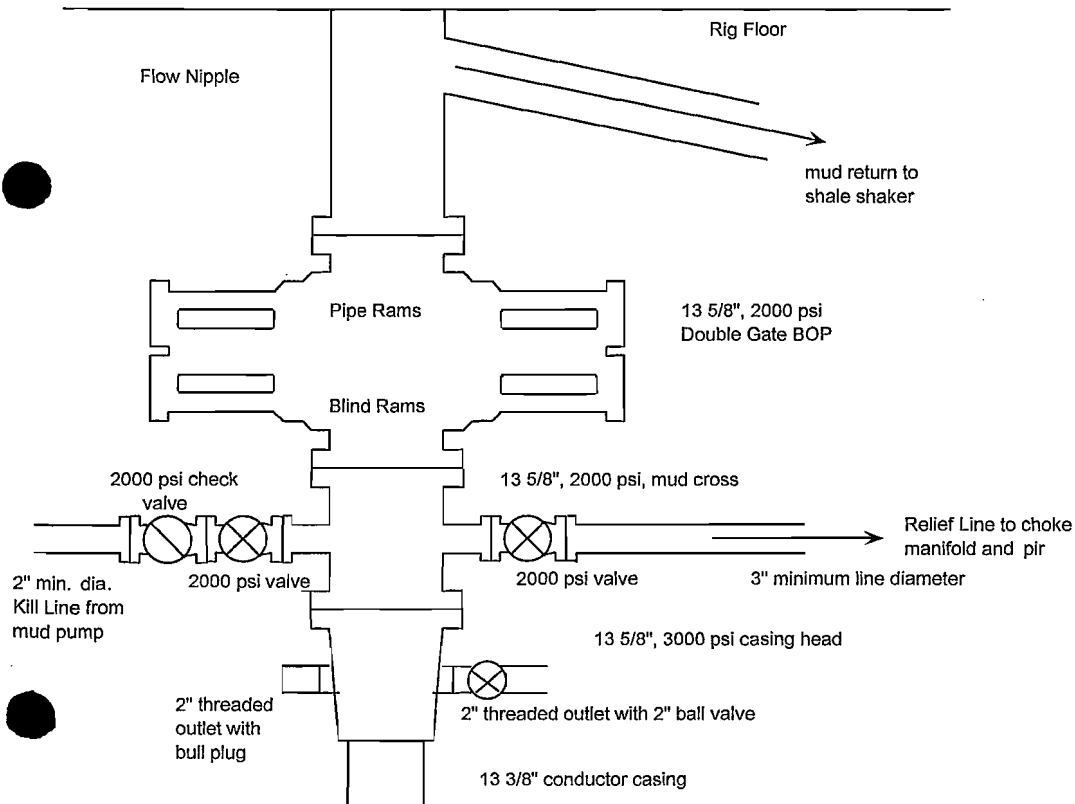
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Robert R. Griffie  
Operations Engineer  
August 13, 2007

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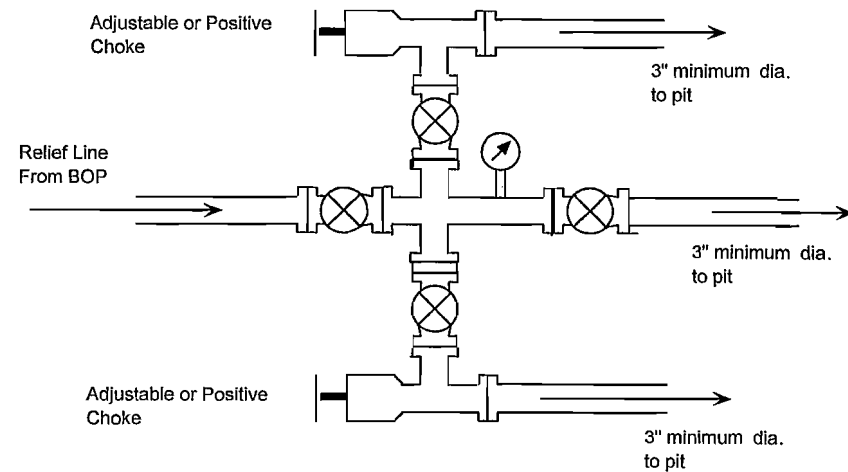
Figure 1

13 5/8", 2000 psi Drilling Rig BOP System - for Surface Hole



BOP Installation from Conductor Casing depth (150') to Intermediate Casing depth (1980').  
13 5/8", 2000 psi double gate BOP equipped with blind and pipe rams. All equipment rated at 2000 psi or greater working pressure.

Figure 2

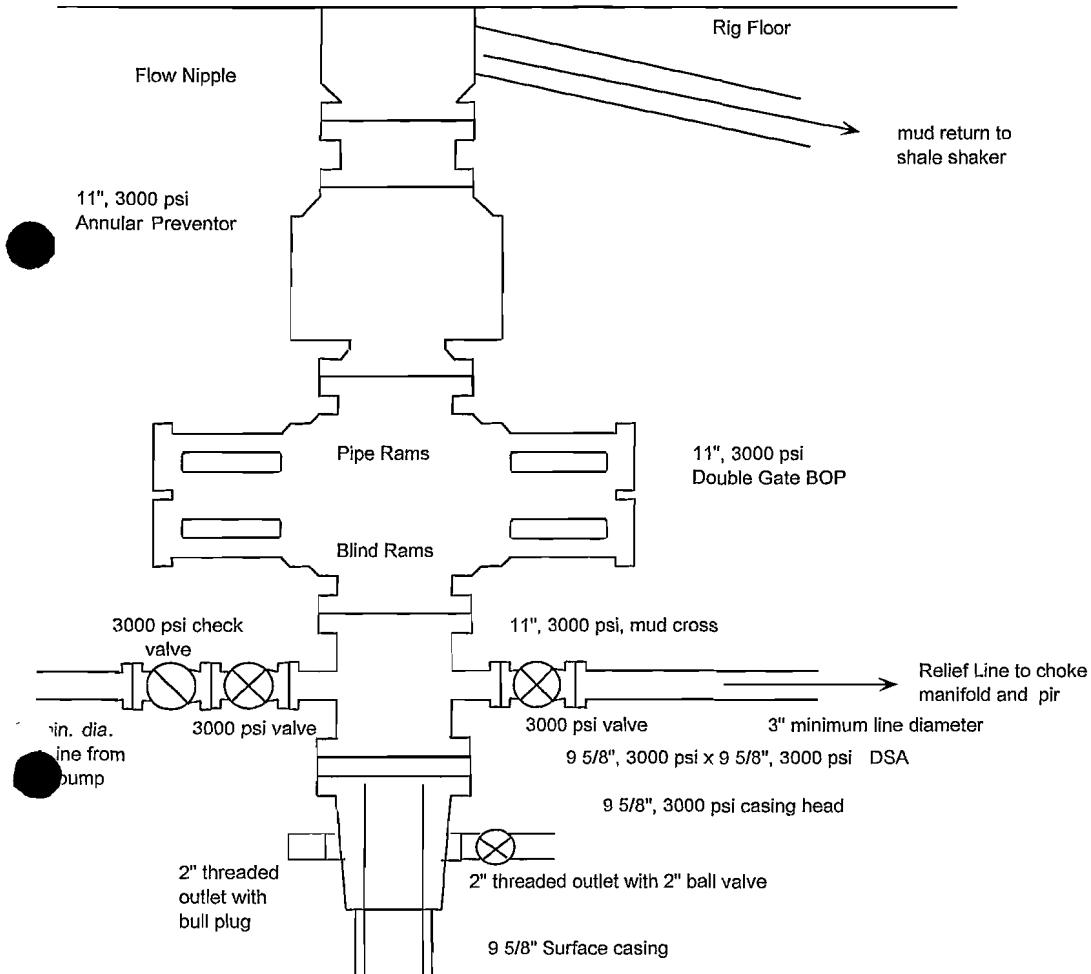


Choke manifold for BOP system shown in Figure 1.  
All equipment to be rated at 2000 psi or greater.

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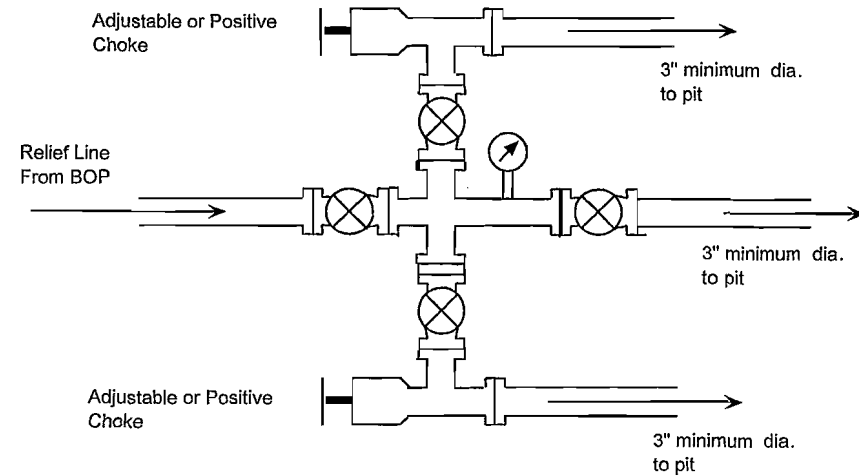
Figure 3

11", 3000 psi Drilling Rig BOP System



BOP Installation from Surface Casing depth (19800') to TD (6238'). 11", 3000 psi double gate BOP equipped with blind and pipe rams, 11" Annular BOP. All equipment rated at 3000 psi or greater working pressure.

Figure 4

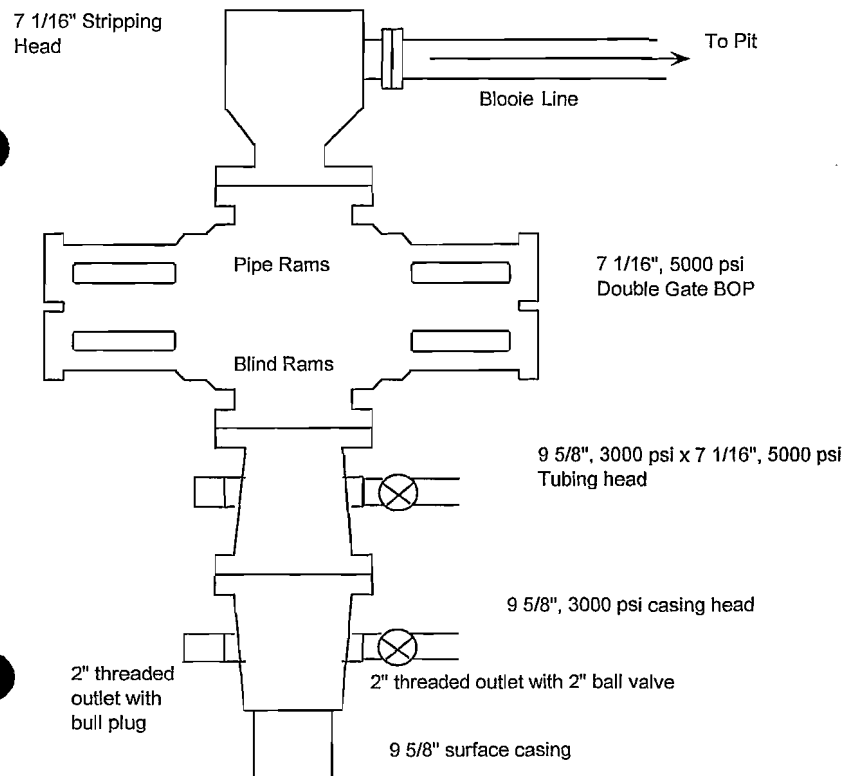


Choke manifold for BOP system shown in Figure 3. All equipment to be rated at 3000 psi or greater.

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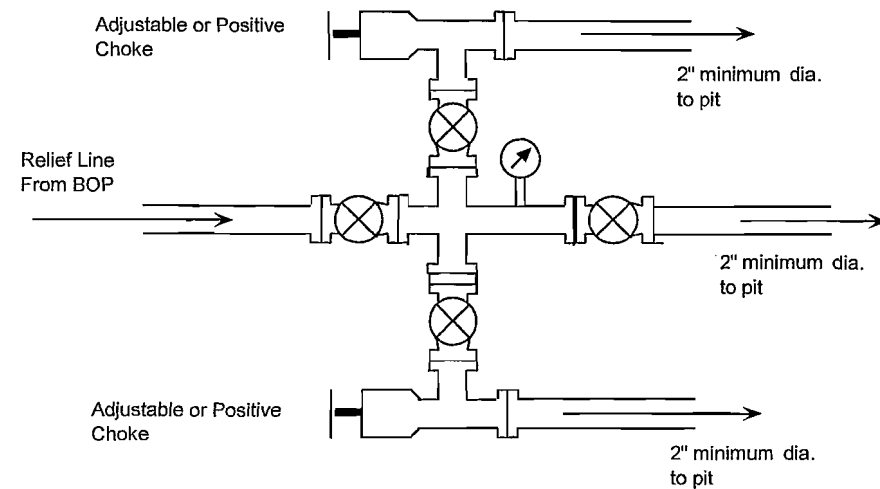
Figure 5

7 1/16", 5000 psi Completion Rig BOP System



BOP Installation for Completion operations. 7 1/16", 5000 psi double gate BOP equipped with blind and pipe rams. All equipment rated at 5000 psi or greater working pressure.

Figure 6



Choke manifold for BOP system shown in Figure 5. All equipment to be rated at 5000 psi or greater.

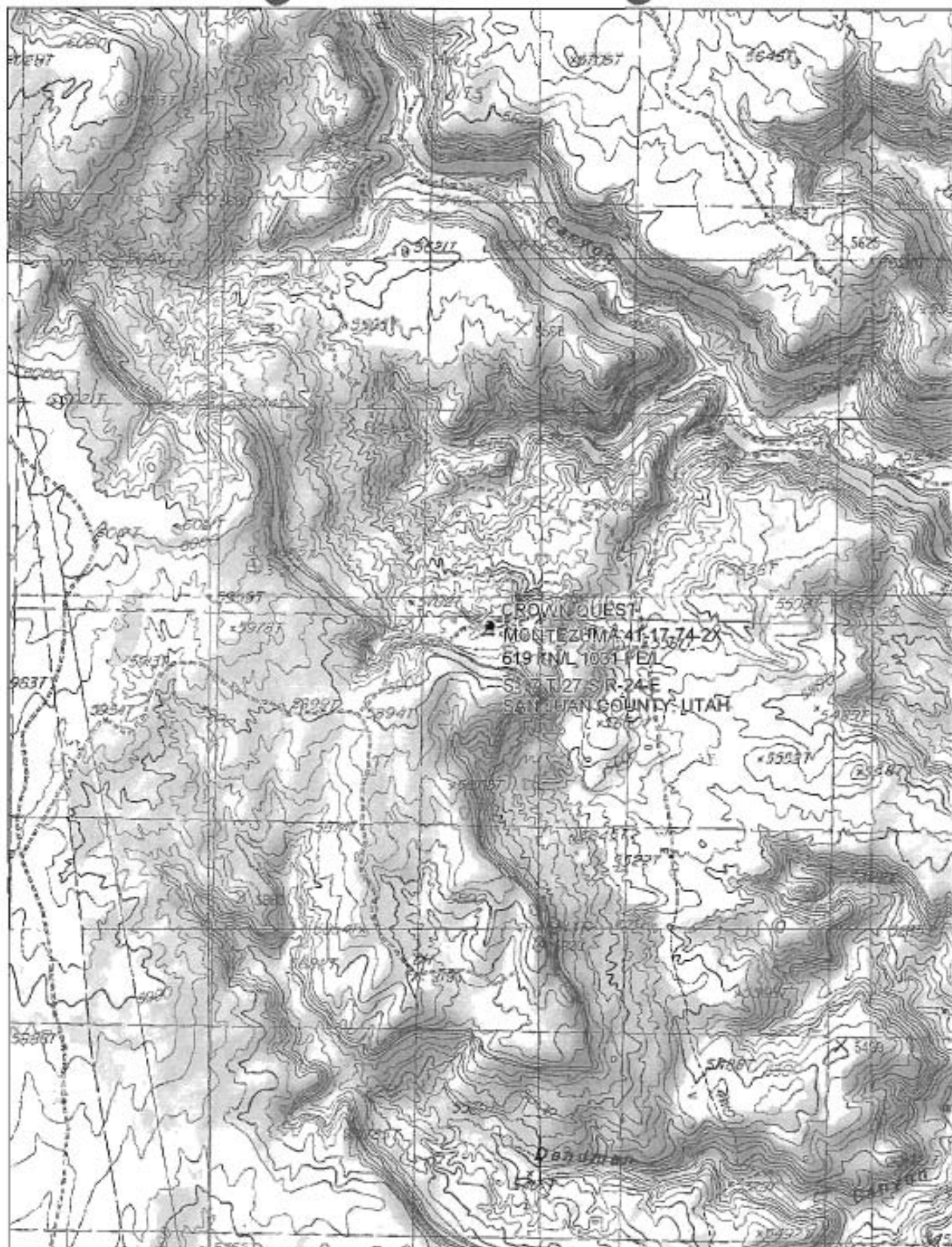


B - B'

$$C - C'$$

5730										
5720										
5710										
5000										
4990										

SCALE  
 Horiz. 1" = 60'  
 Vert. 1" = 30'



**DELOMME**

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www.delorme.com

Scale 1 : 25,000  
1" = 2000 ft



**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 09/25/2007

API NO. ASSIGNED: 43-037-31874

WELL NAME: MONTEZUMA 41-17-74 2X (Rigsolid)  
OPERATOR: CROWNQUEST OPERATING, ( N2685 )  
CONTACT: ROBERT GRIFFEE

PHONE NUMBER: 505-325-5750

PROPOSED LOCATION:

NENE 17 370S 240E  
SURFACE: 0619 FNL 1031 FEL  
BOTTOM: 0619 FNL 1031 FEL  
COUNTY: SAN JUAN  
LATITUDE: 37.57584 LONGITUDE: -109.2985  
UTM SURF EASTINGS: 650257 NORTHINGS: 4159911  
FIELD NAME: WILDCAT ( 1 )

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal  
LEASE NUMBER: UTU 84683  
SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: DSCR  
COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat  
☒ Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. RLB 0007554 )  
☒ Potash (Y/N)  
☒ Oil Shale 190-5 (B) or 190-3 or 190-13  
☒ Water Permit  
(No. MUNICIPAL )  
☒ RDCC Review (Y/N)  
(Date: )  
☒ Fee Surf Agreement (Y/N)  
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

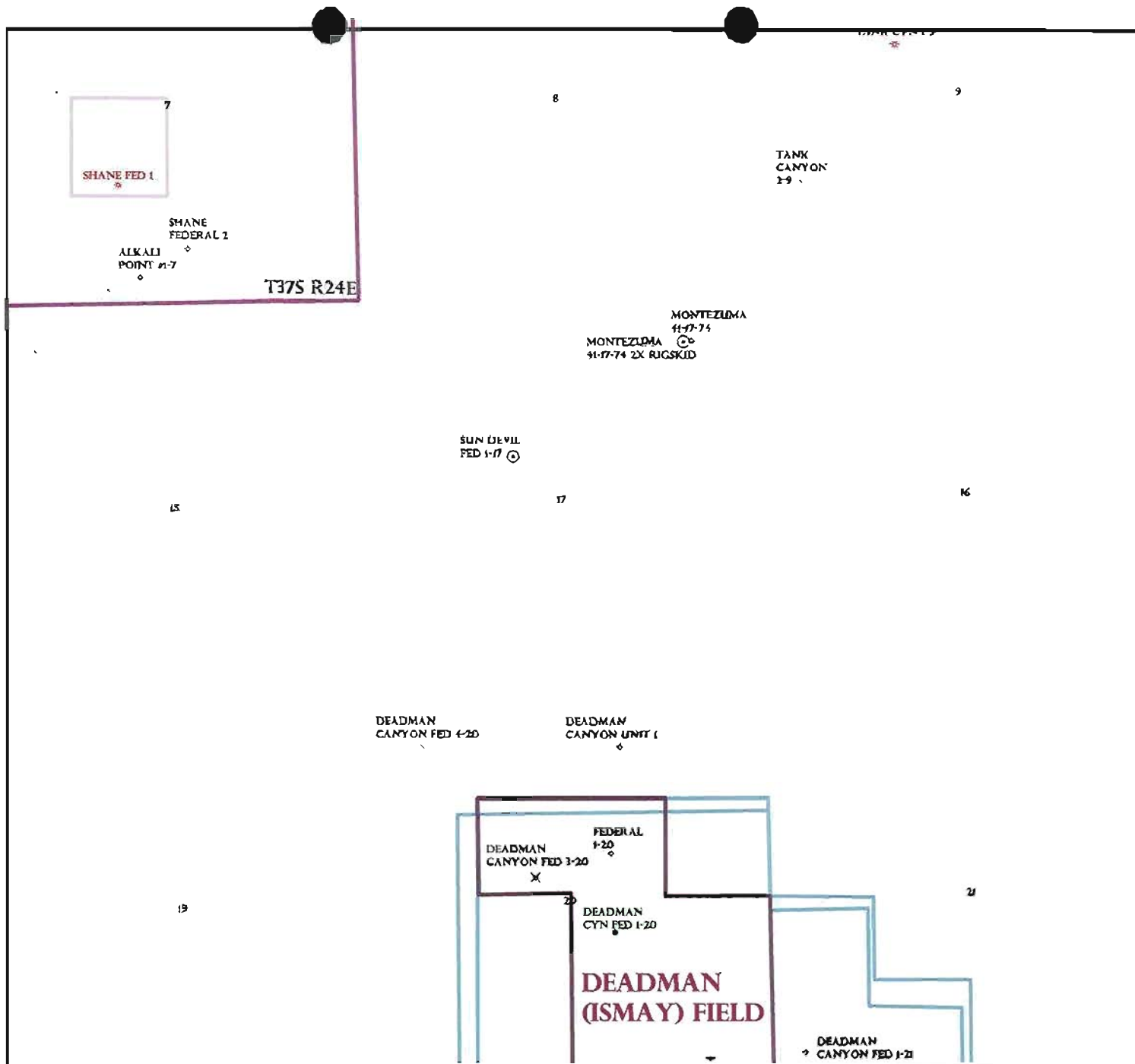
\_\_\_ R649-2-3.  
Unit: \_\_\_\_\_  
\_\_\_ R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells  
☒ R649-3-3. Exception  
\_\_\_ Drilling Unit  
Board Cause No: \_\_\_\_\_  
Eff Date: \_\_\_\_\_  
Siting: \_\_\_\_\_  
\_\_\_ R649-3-11. Directional Drill

COMMENTS: \_\_\_\_\_

STIPULATIONS: \_\_\_\_\_

1- Field Approval  
2- Spacing Shp





OPERATOR: CROWNQUEST OPER CO (N2685)

SEC: 17 T.37S R. 24E

FIELD: WILDCAT (001)

COUNTY: SAN JUAN

SPACING: R649-3-3 / EXCEPTION LOCATION

**Field Status**

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

**Unit Status**

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PJ OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

#### Wells Status

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING



OIL, GAS & MINING



PREPARED BY: DIANA MASON  
DATE: 01-OCTOBER-2007

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Form 3160-3  
(August 1999)

RECEIVED  
MOAB FIELD OFFICE

2007 AUG 14 PM 1:10  
UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

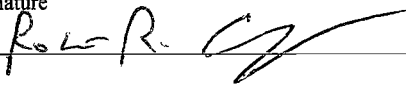

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER			5. Lease Serial No. UTU 84683	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone			6. If Indian, Allottee or Tribe Name n/a	
2. Name of Operator CrownQuest Operating			7. If Unit or CA Agreement, Name and No.	
3a. Address P.O. Box 2221, Farmington, NM 87401			8. Lease Name and Well No. Montezuma 41-17-74-2X	
3b. Phone No. (include area code) (505) 325-5750			9. API Well No. 43-037-31874	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 619' FNL x 1031' FEL At proposed prod. zone same			10. Field and Pool, or Exploratory Pennsylvanian	
14. Distance in miles and direction from nearest town or post office* 10 miles east by southeast from Blanding, Utah			11. Sec., T., R., M., or 131k. and Survey or Area Section 17, T37S, R24E	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 619'		16. No. of Acres in lease 2234	17. Spacing Unit dedicated to this well 160	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. None		19. Proposed Depth 6238'	20. BLJIA/BIA Bond No. on file RLB 0007554	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5719' GL		22. Approximate date work will start* 10/01/07	23. Estimated duration 60 days	
24. Attachments drilling plan, surface use plan				

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |   |  |
|---|--|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan.   | 5. Operator certification.   |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature 	Name (Printed/Typed) Robert R. Griffie	Date 8/14/07
Title Operations Manager, agent for CrownQuest		
Approved by (Signature) 	Name (Printed/Typed) Assistant Field Manager	Date 9/24/07
Title Assistant Field Manager, Division of Resources	Office Division of Resources Moab Field Office	

Application approval does not warrant or certify the the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on reverse)

CONDITIONS OF APPROVAL ATTACHED

RECEIVED

SEP 27 2007

DIV. OF OIL, GAS & MINING

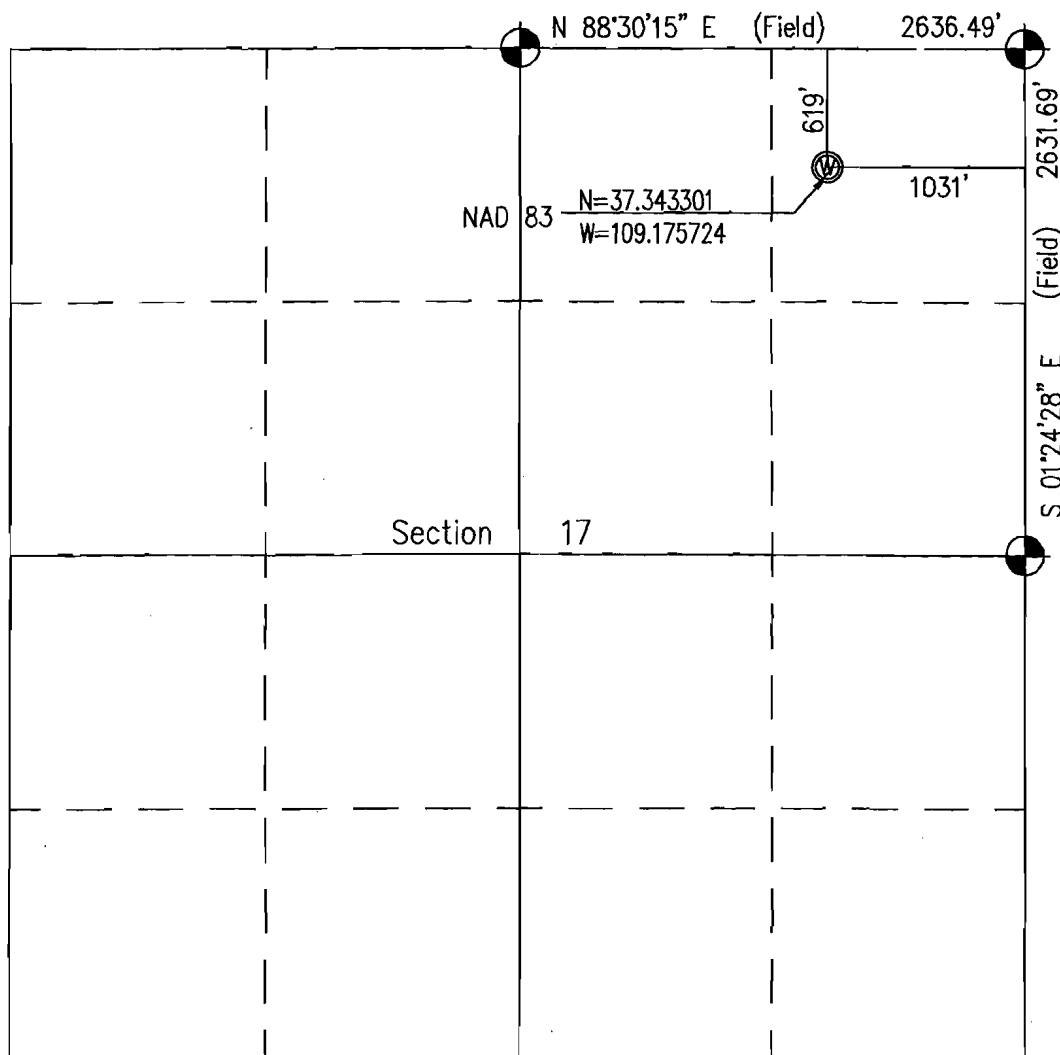
# UTAH WELL LOCATION PLAT

OPERATOR Crown Quest Operating  
 LEASE Montezuma WELL NO. 41-17-74 2X  
 SECTION 17 TOWNSHIP 37 South RANGE 24 East 6th, P.M.  
 COUNTY San Juan UTAH  
 FOOTAGE LOCATION OF WELL: 619 FEET FROM THE North LINE and  
1031 FEET FROM THE East LINE and  
 GROUND LEVEL ELEVATION: 5719.05  
 SURFACE USE WITHIN 200' RADIUS: No Improvements Within 200' - Pasture  
 BASIS OF BEARING: GPS Data - NAD 83  
 BASIS OF ELEVATION: GPS Data - Diff. corrections Omnistar

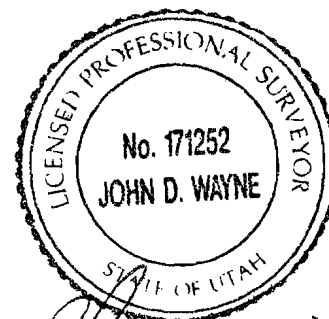
500' 500'  
 1" = 1000'

Some information on this plat is based on information taken from previous surveys, record information, or collateral evidence and may not reflect that which may be disclosed by a complete boundary survey. This plat is not to be relied on for the establishment of surface boundaries, fences, buildings, or other future improvements.

GLO BC  
 WELL Location



I hereby certify that the proposed well location shown on this plat was prepared from field notes of an actual survey by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief, and that there are no visible improvements within 200 feet of this proposed wellhead, unless noted otherwise.



John D. Wayne  
 Professional L.S. #171252  
 State of Utah

AUGUST 6, 2007

Date Surveyed:

AUGUST 9, 2007

Date Platted:

SCALE: 1" = 1000'

CrownQuest Operating LLC  
**Montezuma 41-17-74-2X**  
Lease UTU-84683  
NE/NE Section 17, T37S, R24E  
San Juan County, Utah

**A COMPLETE COPY OF THIS APPROVED PERMIT AND CONDITIONS OF APPROVAL shall be maintained on location during all construction and drilling operations, and shall be available to contractors to ensure compliance.**

#### CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that CrownQuest Operating, LLC is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by **UTB000218** (Principal - CrownQuest Operating, LLC) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

This permit will be valid for a period of two years from the date of approval. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. Failure to comply with the provisions of this permit, including applicable regulations, stipulations, and/or approval conditions, will be considered a violation subject to the enforcement provisions of 43 CFR Subpart 3163.

#### A. DRILLING PROGRAM

1. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining (DOGM) is required before conducting any surface disturbing activities.
2. The proposed well control equipment, 3M equipment (below the surface casing), is appropriate for anticipated conditions. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2.
3. Drilling reports, which describe the activities of each day, shall be submitted to the BLM Moab Field Office on a weekly, or more frequent, basis. In addition to a daily summary of activities, drilling reports shall include the drilling fluid weight, details of casing and cement, water flows, lost circulation zones and any other information that would contribute to our understanding of drilling conditions.

B. SURFACE

1. Closed to surface use (access and well pad construction and drilling) within crucial deer winter habitat from December 15 to April 30. This seasonal condition would not affect maintenance and operational activities for production. The Field Manager may grant an exception on a case-by case basis if legal rights would be curtailed, the deer are not present at a specific project location or the activity can be conducted so that the deer would not be adversely affected.

2. As prescribed in the "Utah Field Office Guidelines for Raptor Protection from Human and Land Use Disturbances" written by the U.S. Fish and Wildlife Service, a raptor survey and clearance of the affected area surrounding the proposed drill site would be accomplished prior to work initiation if work is to be done between February 1 and August 31. If the survey locates an active raptor nesting territory which may be affected by the proposal, no work would be allowed until the nestlings have fledged.

### C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Contact the BLM Natural Resource Protection Specialist at least 48-hours prior to commencing construction of location.

Spud- The spud date will be reported to BLM 24-hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the Moab Field Office within 24-hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

Daily Drilling Reports- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the Moab Field Office on a weekly basis.

Oil and Gas Operations Reports (OGORs)- Production from this well shall be reported to Minerals Management Service (MMS) on a monthly basis.

Sundry Notices- There will be no deviation from the proposed drilling and/or workover program without prior approval. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed, with the Moab Field Office, for approval of all changes of plans and subsequent operations in accordance with 43 CFR 3162.3-2. Safe drilling and operating practices must be observed.

Drilling Suspensions- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Moab Field Office. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the BLM in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Monticello Field Office is to be notified.

First Production- Should the well be successfully completed for production, the Moab Field Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five business days following the date on which the well is placed into production.

A first production conference will be scheduled through the Monticello Field Office as soon as the productivity of the well is apparent.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion or Recompletion Report and Log" (Form 3160-4) will be submitted to the Moab Field Office not later than thirty-days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the Moab Field Office.

Venting/Flaring of Gas- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the Moab Field Office. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomic is granted. In such case, compensation to the lessor shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

Produced Water- Produced waste water may be confined to an unlined pit for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted to the Moab Field Office for approval pursuant to Onshore Oil and Gas Order No. 7.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the Moab Field Office for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

Plugging and Abandonment- If the well is completed as a dry hole, plugging instructions must be obtained from the Moab Field Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the Moab Field Office within thirty-days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. Final abandonment will be approved when the Monticello Field Office determines that surface reclamation work has successfully restored desirable vegetation.

#### TABLE 1 NOTIFICATIONS

Notify Jeff Brown (435-587-1525) of the BLM, Monticello Field Office for the following:

2 days prior to commencement of dirt work, construction and reclamation;

1 day prior to spud;

3 hours prior to testing BOP

If the person at the above number cannot be reached, notify the Moab Field Office at 435-259-2100. If unsuccessful, contact the person listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab Field Office at 435-259-2100. If approval is needed after work hours, you may contact:

Eric Jones, Petroleum Engineer      Office: (435) 259-2117  
Home: (435) 259-2214

# CROWNQUEST

CROWNQUEST OPERATING, LLC

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10/3/07

Division of Oil, Gas and Mining  
1594 W. N. Temple, Suite 1210  
Salt Lake City, Utah 84114-5801

Re: Montezuma 41-17-74-2X

To Whom It May Concern:

In reference to the State Oil and Gas Conservation Rule R649-3-2, CrownQuest Operating, LLC, requests an exception for the Montezuma 41-17-74-2X (API # unassigned). The location of this well is 619' FNL x 1031' FEL, Section 17, T37S, R24E, San Juan County, Utah. We request the spacing exception because we are offsetting the 41-17-74 which is an existing location, and using a large portion of the existing location and reserve pit.

CrownQuest Operating, LLC has the only oil and gas mineral lease within a 460' radius of the well head location.

If you need additional information, please contact Donal Key at (505) 716-2543 or e-mail at [donalkey@msn.com](mailto:donalkey@msn.com).

Sincerely,



Robert R. Griffie  
Operations Manager





JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
*Executive Director*

### Division of Oil Gas and Mining

JOHN R. BAZA  
*Division Director*

October 3, 2007

CrownQuest Operating, LLC  
P O Box 2221  
Farmington, NM 87499

Re: Montezuma 41-17-74 2X Well, 619' FNL, 1031' FEL, NE NE, Sec. 17, T. 37 South,  
R. 24 East, San Juan County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-037-31874.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: San Juan County Assessor  
Bureau of Land Management, Moab Office

**Operator:** CrownQuest Operating, LLC

**Well Name & Number** Montezuma 41-17-74 2X

**API Number:** 43-037-31874

**Lease:** UTU 84683

**Location:** NE NE **Sec.** 17 **T.** 37 South **R.** 24 East

### **Conditions of Approval**

**1. General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

**2. Notification Requirements**

Notify the division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 (801) 733-0983 home

**3. Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

**4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.**

**5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.**

**DIVISION OF OIL, GAS AND MINING**

***SPUDDING INFORMATION***

Name of Company: CROWNQUEST OPERATING, LLC

Well Name: MONTEZUMA 41-17-742X (RIG SKID)

Api No: 43-037-31874 Lease Type: FEDERAL

Section 17 Township 37S Range 24E County SAN JUAN

Drilling Contractor BOONE DRILLING RIG #

**SPUDDED:**

Date 10/07/07

Time

How DRY

***Drilling will Commence:***

Reported by DARRELL COOK

Telephone # (505) 330-2664

Date 10/17/07 Signed CHD

**CONFIDENTIAL**STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING**CONFIDENTIAL**

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

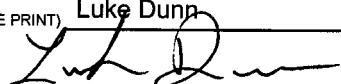
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 84683
2. NAME OF OPERATOR: Crownquest Operating, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: PO Box 2221 CITY Farmington STATE NM ZIP 87499		7. UNIT or CA AGREEMENT NAME: N/A
PHONE NUMBER: (505) 325-5750		8. WELL NAME and NUMBER: Montezuma 41-17-74 2X
4. LOCATION OF WELL FOOTAGES AT SURFACE: 619' FNL x 1031' FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 17 37S 24N		9. API NUMBER: 4303731874
		10. FIELD AND POOL, OR WILDCAT: Wildcat
		COUNTY: San Juan
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 10/7/2007	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Spud
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Crownquest Operating has spudded the 20" conductor hole at 10 AM 10/7/07 and also the 12.25" surface hole on 10/20/07

NAME (PLEASE PRINT) <u>Luke Dunn</u>	TITLE <u>Engineer</u>
SIGNATURE <u></u>	DATE <u>10/22/2007</u>

(This space for State use only)

**RECEIVED****OCT 29 2007**

DIV. OF OIL, GAS &amp; MINING

**CONFIDENTIAL****CONFIDENTIAL**STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>UTU 84683</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <b>N/A</b>
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: <b>N/A</b>
2. NAME OF OPERATOR: <b>Crownquest Operating, LLC</b>		8. WELL NAME and NUMBER: <b>Montezuma 41-17-74 2X</b>
3. ADDRESS OF OPERATOR: PO Box 2221 CITY <b>Farmington</b> STATE <b>NM</b> ZIP <b>87499</b>		9. API NUMBER: <b>4303731874</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>619' FNL x 1031' FEL</b> QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NENE 17 37S 24E</b>		10. FIELD AND POOL, OR WILDCAT: <b>Wildcat</b>
		COUNTY: <b>San Juan</b> STATE: <b>UTAH</b>

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: <b>Drilling Reports</b>
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Crownquest Operating has performed the included drilling operations in the above referenced well. A summary report of these operations from 10/8/2007 through 10/29/2007 are attached.

NAME (PLEASE PRINT) <u>Luke Dunn</u>	TITLE <u>Engineer</u>
SIGNATURE <u></u>	DATE <u>10/29/2007</u>

(This space for State use only)

**RECEIVED****NOV 02 2007**

**CONFIDENTIAL****Montezuma 41-17-74 2X**San Juan Co., UT  
API # 43-037-31874**10/8/2007**

RU Boom auger machine, drill 20" conductor hole from 0' - 107' (123 w/16' KB), unable to drill further, breaking teeth off auger. SDFN.

**10/9/2007**

Dug cellar, mousehole, & rathole. Cut out 20" hole to 10' and ran 13-3/8" conductor csg to 107'. Cmt w/163' sx CI "A" w/2% CaCl, 1/4 lb/sk Celloflake, 1.19 f3/sk yield, pump wood plug. Disp to 80' w/H2O, SWI & SDFN.

**10/10/2007**

Due rathole; installed cellar & tinhorn, finished drlg mousehole. RDMO rathole unit. Cut off conductor csg, weld on 13" x 3K WH, well drain plug in cellar. SDFN.

**10/11/2007**

MIRU drilling rig.

**10/12/2007**

MIRU drilling rig.

**10/13/2007**

MIRU drilling rig.

**10/14/2007**

MIRU drilling rig.

**10/15/2007**

MIRU drilling rig.

**10/16/2007**

MIRU drilling rig.

**10/17/2007**

MIRU drilling rig.

**10/18/2007**

MIRU drilling rig.

**10/19/2007**

MIRU drilling rig, prep to spud. Held safety meeting w/ rig crew

**10/20/2007**

RU Boom Drlg #7; PU 12 1/4" bit; BHA. Break circ; drill plug & cmt to 127'. Drill 12 1/4" hole from 127' - 360'.

**10/21/2007**

Drilled 1170' in 18 rotating hrs. Surveys: 3/4° @ 604' & 1/2° @ 1050'. Conducted safety meeting with crew to discuss importance of wearing safety equipment.

**10/22/2007**

Drilled 1900' in 22 rotating hrs. Survey: 1° 1561'.

**10/23/2007**

Drilled 74' in 6 rotating hrs. Circ btms, pump sweep before running csg. RU csg crew & ran 9-5/8". Cementing 9-5/8" csg. Survey: 1° @ 1974'.

**10/24/2007**

Superior tested lines prior to cementing 9-5/8" casing. Started by pumping H2O. Pumped lead cement(12.5 #/gal, 490 sks). Pumped tail cement (15.6 #/gal. 200 sks). Shut down and dropped plug, pumped displacement (150 bbls).

Watched for cement at flowline during operation. Had full returns while pumping 150 bbl displacement. Had cement returns at flowline at 73 bbls. Slowed pump rate down to 3 bbls/min and bumped plug at 150 bbs and pressure went from 598 psi to 983 psi. RD Superior. Wait on cement prior to nipple down operation. ND by cutting 13-3/8" & 9-5/8" csg. Weld on WH & NU BOP stack w/rotating head.

**10/25/2007**

NU BOP & test lines. Test BOP stack.

**10/26/2007**

Test BOP to include testing csg to 1500# for 30 min. Test was good.

**10/27/2007**

Drilled to 2478'

**10/28/2007**

Drilled to 2994'

**10/29/2007**

Current Depth: 3,385' Progress: 391'

Drilled 391' in 22.5 rotating hrs. Survey: 3/4° @ 2994'.

**CONFIDENTIAL**

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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2. NAME OF OPERATOR: CrownQuest Operating, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: P. O. Box 2221 CITY Farmington STATE ZIP 87499		7. UNIT or CA AGREEMENT NAME: N/A
PHONE NUMBER: (505) 325-5750		8. WELL NAME and NUMBER: (Ryskid) Montezuma 41-17-74 2X
4. LOCATION OF WELL FOOTAGES AT SURFACE: 619' x 1031' FEL		9. API NUMBER: 4303731874
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 17 37S 24E		10. FIELD AND POOL, OR WILDCAT: Wildcat
COUNTY: San Juan		STATE: UTAH

**11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
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	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 11/13/2007	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Drilling reports</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

CrownQuest Operating, LLC has performed the included drilling operations on the above-referenced well. A summary report of these operations from 12/14/07 through 01/08/08 is attached.

NAME (PLEASE PRINT) <u>Luke Dunn</u>	TITLE <u>Engineer</u>
SIGNATURE <u>[Signature]</u>	DATE <u>1/9/2008</u>

(This space for State use only)

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**CONFIDENTIAL**

**Montezuma # 2X, San Juan Co., UT  
CrownQuest**

12/14/2007 thru 1/10/2008

**Dec 14, 2007**

Held safety meeting w/crew. Spot in ramp & all equipment. Raise derrick & RU. NU 5000# BOP. RU equipment.

**Dec 15, 2007**

Held safety meeting w/rig crew. RU well check. Test BOP's, 30 min test on pipe rams & blinds - good test. RD well check. Continue to RU equipment. Tally pipe on float. Rady to pick up 2-7/8" N-80 tbg on Monday.

**Dec 16, 2007**

Held safety meeting w/crew & serviced rig.

Tally & caliper x-over sub & scraper. PU 4-3/4" bit, 5-1/2" scraper & x-over subs, make up tools. PU 2-7/8" N-80 tbg off float, tag w/186 jts @ 6059' & lay down jt. PU 2.5 swivel. RU lines on swivel & pump lines on backside.

**Dec 18, 2007**

Held safety meeting with rig crew & serviced rig. Hang swivel back. TOO H & break off scraper. Tally back in the hole w/4-3/4" bit & bit subs. Made correction on 1 jt, did not tag on jt #186. Tag on jt #185 @ 6029'. PU swivel, break circ w/water & began drilling up fill. Start to circ LCM & rubber @ 6034'. Began drilling cement @ 6035'. Drilling float collar @ 6184', no rubber @ float collar. Continue drilling cement, stop drilling @ 6192'. Circ hole clean & pull up 60', secure well & SDFN.

**Dec 19,**

Held safety meeting w/rig crew. Service rig. Trip in hole tag no fill @ 6192'. Continue to drlg cement @ 6192 to 6206 PBTD. Circulate hole clean for 30 min's. Rig up superior well service. Pressure test lines to 1500 psi good test. Began to pump 7 1/2 % acid & HCl down tubing and let set for 30 min. Reverse circulate the hole w/140 bbls 3% kcl @ 4 bpm. Rig down Superior Well Service lines. Trip out of hole w/ 4 3/4 bit, bit sub, 191 jts 2 7/8 tbg. Rig up blue jet wireline. Run CBL & perforate 1st stage 6154'-65' & 6170'-80' w/2 spf (21' net feet & 42 holes). POOH w/wireline & gun's. Rig down Blue Jet & rig up stripping head.

**Dec 20, 2007**

Held safety meeting w/rig crew. Service rig. Tally & caliper arrowset A-1 packer. Pick up one jt 2 7/8 for tail pipe. Pick up x-over & 5 1/2 packer. Run seat nipple on top of packer ID 2.25. Trip in hole w/186 jts. Land tubing @ 6139. Rig down rig floor & nipple down BOP, pull donut, set 5 1/2 arrowset packer w/25k down on packer. Relanded tubing in well head. Nipple up well head tree & rig up rig floor.

**Dec 21, 2007**

Held safety meeting w/rig crew. Service rig. No gas. RU Superior Well Service. Pressure test line's to 4500 psi, good test. Hold safety meeting w/Superior Well Service & rig crew. Pressure up annulus to 500 psi. Start break down @ 4141 psi, pumping @ 5 bbls min. Shut down get ISIP @ 2650, 5 min 1555 psi, 10 min 1124. Began acid job. Average pressure 4,225, max pressure @ 4524, Avg BPM 5.8. Pumped 8,000 gals of 20% acid, 46 bbls flush. ISIP @ 3130, 5 min @2967, 10 min 2826, 15 min 2683. Shut well in. Wait 2 hours. Move equipment off location. Open well, flow through 1/2 choke w/1250. Surging acid & fluid some oil. Turn over to flowback hand's continue flow through 1/2 choke.

**Dec 22, 2007**

Held safety meeting w/rig crew. Service rig. Flowback well on 3/4" choke. RU lines and production equipment. Purge lines with gas. Turn well to pipeline through separator. Well began slugging oil and water. Could not handle fluid volumes without back-pressure regulator. SI well. (Note: Shut well in for one hour, 410 psi. One hour 595 psi. Recovered load 226 bbls of fluid.)

**Dec 23, 2007**

Flow back well. SITP - 1249 psi and climbing. Open well to separator, through meter. Continue to produce well to sales overnight. Kiva Measurement to watch and record rates overnight. Rig crew off until 1/02/08.

# CONFIDENTIAL

Dec 24, 2007  
Flow back well.

Dec 25, 2007  
Flow back well.

Dec 26, 2007  
Flow back well.

Dec 27, 2007  
Flow back well.

Dec 28, 2007  
Flow back well.

Dec 29, 2007  
Flow well.

Dec 30, 2007  
Flow well.

Jan 2, 2008  
RU swab equipment & kill well w/35 bbls 3% KCL fluid. Run sinker bars to SN @ 6105', no bridge in tbg. POOH w/sinker bars. RIH w/booch, tag bridge @ 3500', fall through. Continue to RIH, tag 10' - 15' from SN @ 6105'. Pull up 200' & pump 2 BW. RIH, tag same spot. POOH w/boorch & break off brooch. RIH w/swab cups. Begin to swab, made 6 runs, kick well off. Turn over to separator. Flow well & SDFN.

Jan 3, 2008  
Made swab run. Tag fluid at 2500'. Swab from 4500'. Pulled 11 bbls of fluid. Well kicked off. Flow well. Produced 7 bbls. Fluid in 1 hr, 1/2 cup free salt, 10.1 ppg density. Flow to flowback tank. Kill well w/ 25 bbls KCL water. ND wellhead, NU BOPE and rig floor. Pull donut, equalize and release packer. PU 2 jts tubing. RIH and tag at 6178'. LD 2 jts. TOH with packer. LD packer and tail pipe. TIH with saw tooth collar and 2 7/8" tubing, SN one joint from bottom. ID of SN 2.280". Tag bottom with 190 joints of tubing at 6178'. Pulled above perforations SI well and

Jan 4, 2008  
Bleed down tubing pressure. Load casing with 3% KCL, no circulation. Pumped total of 135 bbls. PU 2 jts 2 7/8" tbg, RIH, tag fill at 6178' c/o depth. RU Superior WS. Pressure test pumps and lines to 1100 psi. Spot 500 gals 15% HCL at EOT of 6178'. Pump 12 bbls fresh water. Shut down, wait 15 minutes. Continue pumping fresh water down tubing while pressuring up casing with rig pump (60 bbls of 3% KCL down casing). Inject acid and fresh water into perforations. Tbg pressure - 996 psi, csg - 650 psi at end of job. Total load - 279 bbls. SI well. RD Superior WS. Allow acid to spend on formation. RU swab equipment. Open well, on vacuum. Swab. Fluid level at 400'. Swab from 2000'. Made 9 runs with fluid level at 1800 to 2000'. Swabbed 90 bbls fluid, all water, density 8.3 to 8.5 ppg. SI well, secure location, SD for weekend.

Jan 7, 2008  
SITP - 615 psi, SICP - 365 psi. Bleed down tubing quickly (minutes). Swab. Tag fluid level at 1200' on 1st run. Swabbed 16 runs, recovered 175 bbls fluid, starting at 8.7 ppg density and increasing to 9.3 ppg. Small amounts of gas on every run. Fluid level at 16:30 was 2500'.

Jan 8, 2008  
SITP - 1050 psi, SICP - 940 psi. Bled tubing down very quickly. Began swabbing. Fluid level at 1200'. Made 6 runs, recovered 65 bbls fluid. Density 9.3 to 9.5 ppg. Made some gas after each run, but then died. Last run, fluid level at 1800', pulled swab from 3500'. Have approximately 50 bbls to recover.

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  <small>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.</small>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>UTU 84683</b>
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <b>N/A</b>
2. NAME OF OPERATOR: <b>CrownQuest Operating, LLC</b>		7. UNIT or CA AGREEMENT NAME: <b>N/A</b>
3. ADDRESS OF OPERATOR: P. O. Box 2221    CITY <b>Farmington</b> STATE _____    ZIP <b>87499</b>		8. WELL NAME and NUMBER: <b>Montezuma 41-17-74 2X</b>
4. LOCATION OF WELL  FOOTAGES AT SURFACE: <b>619' x 1031' FEL</b>		9. API NUMBER: <b>4303731874</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NENE 17 37S 24E</b>		10. FIELD AND POOL, OR WILDCAT: <b>Wildcat</b>
		COUNTY: <b>San Juan</b>  STATE: <b>UTAH</b>

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT <small>(Submit in Duplicate)</small>  <small>Approximate date work will start:</small> _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: <b>Drilling report</b>
<input checked="" type="checkbox"/> SUBSEQUENT REPORT <small>(Submit Original Form Only)</small>  <small>Date of work completion:</small> <b>1/30/2008</b>			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

CrownQuest Operating, LLC has performed operations on the above-referenced well. A summary report of these operations from 1/9/08 through 01/30/08 is attached.

NAME (PLEASE PRINT) <u>Luke Dunn</u>	TITLE <u>Engineer</u>
SIGNATURE	DATE <u>1/31/2008</u>

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**FEB 05 2008**  
**DIV. OF OIL, GAS & MINING**

**PROPRIETARY-CONFIDENTIAL** Lima # 2X, San Juan Co., UT  
1/09/2008 thru 1/18/2008

Jan 9, 2008

SITP - 1050 psi, SICP - 1150 psi. Open well and flow thru separator to PL. Well flowed for about 2 hours with FTP dropping to 100 psi. Well could not overcome PL pressure. Turn flow to flowback tank. Well unloaded 26 bbls fluid in one hour. FTP - 40 psi, FCP - 650 psi. SI well to build pressure. Built to 350 psi TP and 650 psi CP. Flow well through separator with same results. Secure well, SI, SDFN. Recovered a total of 370 bbls fluid - all load recovered. Total production through separator for today was 37 MCF

Jan 10, 2008

SITP - 1050 psi, SICP - 1150 psi. Bleed pressure down & flow through tank, took pressure readings & BPH every hr. Well died, made swab run. Kicked well off, it flowed on its own, swabbed when it died. Secured well & SI.

Jan 11, 2008

Well pressure Tbg 1050psi, backside 1150 psi. Bleed pressure down through flowback tank and flow through tank. Get pressure reading & BPH every hr. Well died, make swab run. Kick well off & flow on its own, swab when it dies. Secure well & SDFN.

Jan 14, 2008

SITP - 1150 psi, SICP - 950 psi. Bleed pressure down through flow back tank. RIH and tag fill at 6178'. Unload 25 bbls fluid with N2 unit. Clean out fill from 6178' - 6206'. Blow well with N2 and 6 bph mist. Flow well one hour, secure well & SDFN.

Jan 15, 2008

SITP - 1150 psi, SICP - 950 psi. Ran bottom hole gages to 6100'. Get BHP readings from 6100' to surface. Bleed down CP. TIH with tbg, tag at 6206', no fill. Circulate with N2 membrane pkg. Unload 18 bbls fluid, 10.2 ppg. Blow well with N2 and mist, run 5 bbl sweep every hour. Blow well with N2, no mist. Pull up above perms and turn to flow back tank. Flowback crew to monitor overnight.

Jan 16, 2008

TP - 0 psi, CP - 720 psi. Bleed down CP. TIH with bull plug, 1 jt, 4' perforated sub, 2.288" ID SN, 20 jts, tubing anchor, and 2 7/8" tubing. Land tubing at 6176' (188 joints). Secure well, shut in, SDFN.

Jan 17, 2008

SITP - 250 psi, SICP - 570 psi. Bleed down casing and tubing pressure. PU rod pump, test at surface. RIH with 2.5" rod pump, 14' gas anchor, four 1.5" sinker bars, 160 3/4" rods, 80 7/8" rods. Tag SN at 6141'. Space rods with 4' pup. Run light tag on SN. Hang off rods. Pressure test pump to 500 psi - good test. RD and lower mast.

Jan 18, 2008

SI wait on pumping unit

Jan 19, 2008

SI wait on pumping unit

Jan 20, 2008

SI wait on pumping unit

Jan 21, 2008

SI wait on pumping unit

Jan 22, 2008

SI wait on pumping unit

Jan 23, 2008

SI wait on pumping unit

Jan 24, 2008

SI wait on pumping unit

**PROPRIETARY-CONFIDENTIAL** Montezuma # 2X, San Juan Co., UT  
1/09/2008 thru 1/18/2008  
Montezuma # 2X, San Juan Co., UT  
1/09/2008 thru 1/18/2008

Jan 25, 2008

Open well to sales line to bleed down tbg. Produce 0 BOPD, 75 MCFPD, 0 BWPD

Jan 26, 2008

Start pumping unit. Produce 29.22 BOPD, 113 MCFPD, 6.68 BWPD

Jan 27, 2008

16.7 BOPD, 108 MCFPD, 43.42 BWPD

Jan 28, 2008

5.01 BOPD, 109 MCFPD, 36.74 BWPD

Jan 29, 2008

10.86 BOPD, 114 MCFPD, 33.40 BWPD

Jan 30, 2008

8.35 BOPD, 113 MCFPD, 26.72 BWPD

**SUNDRY NOTICES AND REPORTS ON WELLS**

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1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 84683
2. NAME OF OPERATOR: CrownQuest Operating, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: P. O. Box 2221 CITY Farmington STATE ZIP 87499		7. UNIT or CA AGREEMENT NAME: N/A
PHONE NUMBER: (505) 325-5750		8. WELL NAME and NUMBER: Montezuma 41-17-74 2X
4. LOCATION OF WELL FOOTAGES AT SURFACE: 619' x 1031' FEL		9. API NUMBER: 4303731874
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 17 37S 24E		10. FIELD AND POOL, OR WILDCAT: Wildcat
COUNTY: San Juan		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 3/8/2008	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Drilling report</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

CrownQuest Operating, LLC has performed operations on the above-referenced well. A summary report of these operations from 01/31/08 through 3/8/08 is attached.

NAME (PLEASE PRINT) <u>Luke Dunn</u>	TITLE <u>Engineer</u>
SIGNATURE 	DATE <u>3/10/2008</u>

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# PROPRIETARY-CONFIDENTIAL

Montezuma # 2X, San Juan Co., UT

1/31/2008 thru 3/08/2008

Jan 31, 2008

Prod 71 mcf x 0 bw x 0 bo

Feb 01, 2008

Prod 76 mcf 0 bw x 0 bo

Feb 02, 2008

Prod 54 mcf 0 bw x 0 bo

Feb 03, 2008

Prod 36 mcf 0 bw x 0 bo

Feb 04, 2008

Prod 61 mcf 0 bw x 0 bo

Feb 05, 2008

Prod 42 mcf 0 bw x 0 bo

Feb 06, 2008

Prod 6 mcf 0 bw x 0 bo

Feb 07, 2008

Prod 0 mcf 0 bw x 0 bo

Feb 08, 2008

Prod 61 mcf 0 bw x 0 bo

Feb 09, 2008

Prod 25 mcf 0 bw x 0 bo

Feb 10, 2008

Prod 14 mcf 0 bw x 0 bo

Feb 11, 2008

SPOT RIG OVER THE WELL, RIG UP RIG & RAISE DERRICK. RIG UP RODS & EQUIPMENT. PULL UP ON RODS TO 11K, NO MOVEMENT, PUMP STUCK. PULL UP TO 34K, SOME MOVEMENT. RIG UP RIG FLOOR & TONGS. PULL STRING WEIGHT OF RODS, BACK OFF RODS. TRIP OUT OF HOLE W/7/8" ROD & 3/4" RODS. RECOVERED #80' 7/8" RODS & #111 3/4" RODS. LIFT, 49 RODS IN TBG. RIG UP SWAB EQUIPMENT. SWAB TUBING DRY TO 4775'. SECURE WELL. SHUT DOWN.

Feb 12, 2008

PULLED ROD BOP. PULLED DONUT & RELEASE TBG ANCHOR @ 5520'. NIPPLE UP 5000# BOP AND STRIPPINGHEAD. TALLY OUT OF HOLE W/2-7/8" TBG. STOP W/ 4750' IN THE DERRICK. BACK OFF SOME MORE RODS, LAYDOWN 45' 3/4" RODS, RIG UP SWAB EQUIPMENT, SWAB DRY. LD SWAB EQUIPMENT. CONTINUE TO TRIP OUT W/ TBG. BACK OFF #4 SINKER BAR'S. FINISH TRIPING OUT OF HOLE. SECURE WELL SHUT DOWN.

Feb 13, 2008

PRESSURE READING CSG 400#. BLEED PRESSURE DOWN, RIG UP BLUE JET WIRELINE, RUN GAUGE RING TO 6110'. POOH W/GAUGE RING. RUN COMPOSITE PLUG SET @ 6100'. POOH W/ SETTING TOOL. LOAD HOLE W/ 128 bbls 3% KCL FLUID. PRESSURE TEST COMPOSITE PLUG TO 1400# FOR 15 MIN GOOD TEST. RUN IN HOLE W/ PERF GUN. SHOT HOLES @ 5970-5975'. POOH, RIG BLUE JET WIRELINE DOWN. TALLY & CALIPER 5-1/2"

# PROPRIETARY-CONFIDENTIAL

PACKER. PICK UP 1 STD & AS1 5-1/2" PACKER. SHUT WELL IN WATCH BUILD UP ON BACKSIDE 150 PSI IN 30 MIN. BUILD NEW LINE TO FLOW BACK TANK. LAYDOWN PACKER, PICK UP 2-7/8" BULL PLUG, 1 JT, 2-7/8" SEAT NIPPLE ID 2.280. SLOWLY BLEED PRESSURE DOWN. TIH W/ BULL PLUG AND 184 JTS 2-7/8" N-80 TBG. SEAT NIPPLE @ 5974'. LAND TBG @ 6006', NIPPLE DOWN BOP & RIG FLOOR. NIPPLE UP 5000# WELL HEAD TREE. SECURE WELL, SHUT DOWN.

Feb 14, 2008

PRESSURE READING CSG 110#. BLEED PRESSURE DOWN RIG DOWN WELL HEAD TREE, RIG ROD EQUIPMENT, RUN RODS IN DERRICK. BEGAN LAYING DOWN #183 3/4 ROD'S. RIG DOWN ROD EQUIPMENT. RIG UP BLUE JET WL. RUN IN HOLE SHOT HOLE IN 2 7/8' TBG @ 5959-69' w/ 1 SPF. POOH W/ WIRELINE, RIG DOWN W/L. RIG UP SWAB EQUIPMENT. BEGAN TO SWAB, TAG FLUID @ 1900'. SWAB FROM 3100', MAKE #5 SWAB RUN, RECOVERED 30 bbls, NO GAS. RIG DOWN SWAB EQUIPMENT. PUMP 75 bbls NO CIRCULATION. NIPPLE DOWN WELL HEAD TREE & NIPPLE UP BOP AND RIG FLOOR.

Feb 15, 2008

PRESSURE READING CSG 110 psi. BLEED PRESSURE DOWN. TOO H W/ 2-7/8" TBG & PERFORATED JT. TALLY & CALIPER ARROWSET PACKER W/SN ON TOP, ID 2.280. TIH, LAND & SET AROWSET PACKER, SET @ 5919', PERFS @ 5970'-5975'. SET COMPRESSION 15K ON PACKER. RIG DOWN 5000 psi BOP & RIG FLOOR. RIG UP WELL HEAD TREE. LOAD HOLE 3% KCL. PRESSURE TEST CSG & PKR TO 1500 psi HOLD FOR 15 MIN, GOOD TEST. TOOK 2 BBLS TO LOAD CSG. SECURE WELL, SHUT DOWN.

Feb 19, 2008

SPOT SUPERIOR TRUCKS & RU. PRESSURE UP BACKSIDE & MONITOR. PRESSURE TEST LINES TO 5500#. BEGAN TO BREAK FORMATION. PRESSURE OUT TO 5200#, SHUT DOWN & TRY AGAIN. BREAK DOWN @ 4300# 1.3 BPM. BEGAN TO PUMP 20% ACID @ 1.4 BPM. @ 11:15 am 4190# 1.4 BPM 27.2 BBLS INTO ACID. ACID HIT TOP OF PERFS. INCREASE RATE TO 4.2 BPM, PSI @ 3700. START DISPLACEMENT 3.0 BPM @ 3412 36 BBLS OF 3% KCL. OVER FLUSH 1/2 BBL. SHUT DOWN. ISIP @ 3170#, 5 MIN 3047#, 10 MIN 3030#, 15 MIN 3016#. BEGAN TO RIG DOWN SUPERIOR EQUIPMENT, RU FLOW BACK LINE TO FLOW TANKS. OPEN WELL ON 3/8" CK 2750#. BLEED DOWN QUICKLY TO 8#. CHANGE OVER TO 2" LINE. TURN OVER TO FLOW BACK HANDS.

Feb 20, 2008

WELL WAS SHUT IN FOR 6 HRS-1900#. BLEED DOWN QUICKLY TO 4#, RIG UP SWAB EQUIPMENT. MAKE SWAB RUNS AS FOLLOWS:

TIME	RUNS	CSG#	TBG #	FLD LEVEL	SWAB FROM	BBLS
2:00pm	1	750psi	0	surface	1000ft	5.79
2:20pm	2	750psi	0	800	1800ft	5.79
2:40pm	3	750psi	0	1200'	2200ft	5.79
3:00pm	4	750psi	0	1500ft	2500ft	5.79
4:00pm	5	750psi	0	2000ft	3000ft	5.79
4:20pm	5	750psi	0	2500ft	3600ft	5.79
4:40pm	7	750psi	0	3600ft	4600ft	5.79

Total for the day 40.53bbls

Feb 21, 2008

PRESSURE READING CSG 400psi, TBG 55PSI. BLEED TBG DOWN. MADE THE FOLLOWING SWAB RUNS: TOTAL LOAD RECOVERED 84.96 bbls.

TIME	RUNS	CSG #	TBG #	FLUID LEVEL	SWAB FROM	BBLS	DENSITY
8:30am	1	400psi	0	surface	4400'	5.79	
8:50am	2	400psi	0	5000'	5911'	5.27	
9:10am	3	400psi	0	5000'	S/N 5911'	5.27	



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10:30am	4	400psi	0	5500'	5911'	2.3	
11:00am	5	400psi	0	5600'	5911'	1.8	9.8
Wait one hour make swab run							
1:00pm	6	400psi	0	5600'	5911'	1.8	9.9
Wait one hour make swab run							

Feb 22, 2008  
Shut in for bad weather.

Feb 25, 2008  
SI for mud.

Feb 26, 2008  
SI for mud.

Feb 27, 2008  
SI for mud

Feb 28, 2008  
SI for mud

Feb 29, 2008  
Move out rig on freeze to let location dry out. SI.

Mar 7, 2008  
MI RU PU. FOUND WELL WITH 300 PSI ON TBG. BLEED DOWN. PRESSURE READY, TBG 270# CSG 50#. BLEED DOWN TBG, BACKSIDE. NIPPLE DOWN WELLHEAD TREE, NIPPLE UP 5000# BOP, W/ FLOW T, STRIPPINGHEAD. TEST PIPE RAMS & BLINDS. RU RIG FLOOR & 2-7/8" EQUIPMENT. PU 10' PUP, PULLED DONUT & RELEASE 5.5 ARROWSET PKR. EQUALIZE PKR, LET FLUID ON BACKSIDE FALL. TOOH W/PKR & 191 JTS. BREAK OFF PKR. TALLY & CALIPER RBP. PU BRIDGE PLUG, MAKE UP. TIH & SET RBP @ 5876' TOP OF PLUG, ELEMENTS @ 5884', W/ 180 JTS OF 2-7/8" N-80 TBG. PULL OFF BRIDGE PLUG 3 JTS. LOAD HOLE W/ 3% KCL. DRAIN PUMPS & LINES. SECURE WELL & SDFN.

Mar 8, 2008  
CONTINUE TO LOAD HOLE & ROLL HOLE CLEAN W/135 BBLs 3% KCL. PRS TEST RBP @ 5876' TO 1500#. HOLD 15 MIN, GOOD TEST. REL PRESSURE OPEN PIPE RAMS. TOOH W/RET HEAD. BREAK DOWN RET HEAD & RIG DOWN STRIPPING HEAD. RU BLUE JET WL. RUN PERF GUNS, CHECK CSG COLLARS W/ COLLAR LOCATOR. SHOT FROM 5786' - 5798'. CHECK GUN OUT OF HOLE, ALL SHOT. RD BLUE JET WL. TALLY & CALIPER ARROWSET PKR. MAKE UP 5.5 PKR W/ S/N ON TOP OF PKR. TIH W/ FULL BORE PKR. LAND TBG @ 5724' W/ 175 JTS N-80, RIG DOWN RIG FLOOR. NIPPLE DOWN 5000# BOP, NIPPLE UP WELLHEAD TREE. PRS TEST BACKSIDE TO 1000#. HOLD 15 MIN, GOOD TEST ON PKR @ 5724'. SHUT DOWN FOR THE WEEKEND.

(NOTE PUT NEW LOCK IN PINS & PACKING ON CSGHEAD, NEW WELLHEAD TREE FROM ACID JOB ON MONDAY. I.D ON S/N 2.288. HOLE WAS STILL FULL OF FLUID AFTER PERFORATING.)

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

PROPRIETARY-CONFIDENTIAL

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 84683
2. NAME OF OPERATOR: CrownQuest Operating, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: P. O. Box 2221 CITY Farmington STATE ZIP 87499		7. UNIT or CA AGREEMENT NAME: N/A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 619' x 1031' FEL		8. WELL NAME and NUMBER: Montezuma 41-17-74 2X
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 17 37S 24E		9. API NUMBER: 4303731874
COUNTY: San Juan		10. FIELD AND POOL, OR WILDCAT: Wildcat
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Waiting on</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u>Completion Rig</u>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

CrownQuest Operating, LLC is waiting on completion rig during this time period of 3/9/2008 through 4/21/2008. A summary report of operations from 03/09/08 through 04/21/08 is attached.

NAME (PLEASE PRINT) <u>Luke Dunn</u>	TITLE <u>Engineer</u>
SIGNATURE 	DATE <u>4/17/2008</u>

(This space for State use only)

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APR 24 2008

DIV. OF OIL, GAS & MINING

# PROPRIETARY-CONFIDENTIAL

## Montezuma # 2X, San Juan Co., UT

3/9/2008 thru 4/21/2008

Mar 10, 2008

Tbg & csg pressure both 0 psi. RU Superior & test lines to 5500 psi. Break down formation w/ 2.5 bbls 3% KCL at 4430 psi. Start 20% acid. Pumped a total of 3600 gal 20% acid & flushed w/ 38 bbls 3% KCL. ISIP 3000 psi, 5 min of 2925 psi, 10 min 2901 psi, & 15 min of 2890 psi. SI well for 2.25 hrs. RD Superior. Open well at 2800 psi & flow to 800 psi in 15 min, 200 psi in 30 min, & 10 psi in 45 min. RU swab and swb:

TIME	PSI	TAG FLUID	FLUID LEVEL	BBLS
3:30PM	0	1500'	1500'	8
4:00PM	0	3000'	3000'	9'
4:45PM	0	4300'	4300'	9'
5:15PM	0	3900'	S/N 5718'	10'
5:45PM	0	5000'	S/N 5718'	4

Total load recovered 62 BBLS

Mar 11, 2008

Tbg pressure was 20 psi. Bleed down. Swab 1st run and tag fluid at 5100'. Swab 6 bbls as follows:

TIME	PSI	TAG FLUID	SWAB FROM	BBLS
7:45am	0	@ 5100'	S/N 5718	3.5
8:45am	0	@ 5300'	S/N 5718'	2.4
9:45am	0	no fluid	S/N 5718'	0
10:45am	0	no fluid	S/N 5718'	0
11:45am	0	no fluid	S/N 5718'	0

ND WHT & NU 5000 psi BOP. Release pkr & equalize. Pull 3 stands and drill line wrapped up in drum. Need to repair. Shut down w/ packer 220' above perfs.

Notes: Total load to recover is 157 bbls & load remaining to recover is 89 bbls.

Mar 12, 2008

Rig repair .

Mar 13, 2008

Start to TOO H w/packer. TIH w/ret head, release bridge plug, equalize tool. TOO H w/ RBP, break down tool. Lay down bridge plug & rig down stripping head. Secure well shut down.

Mar 14, 2008

Drove to location, held safety meeting w/ rig crew & packer hand. Rig up Bluejet Wireline. Perforate from 6050'-6082' #2 runs. Check guns all shot. TIH w/5.5" pkr & set at 6008'. Make swab runs, seven total runs two swab runs dry. Total fluid recovered 27 bbls. Secure well shut down for the weekend.

Mar 17, 2008

Get pressure reading tubing & casing 0 psi. Hold safety meeting w/rig Frac Crew. Rig up Frac Crew. Pressure test lines 6500 psi, good test. Start acid job. Began with 1000 gals of acid. Accurate went down. Repaired. Start flush. Problem with C-pump--won't turn. Caught psi hole loaded. Formation broke 3872' @ 3.4 BPM. Finish flush. ISIP 3,130psi ,5 min 2,981#, 10 min 2,930#, 15 min 2,891#. Well shut in @ 2,880#. Wait 1:45 min open well up on 3/8 choke. 580 psi, flowed for 40 min. Bleed down tubing, well died. Rig up swab equipment. Made 6 runs, swab down to 5500'. Bad spot in tubing. Sand line twisted up. Rig down swab equipment & lay down. Release 5.5 pkr & equalize tool. Lay down 10 jts on float & stop pkr above perforation at 5430'.

Mar 18, 2008

Hold safety meeting w/rig crew. Continue to lay down tubing. Nipple up BOP. Rig down rig & lower derrick. Move rig off well head. Move ramp & sub over well head. Move rig on top of ramp & sub. Raise derrick and rig up. Secure well shut down.

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Mar 19, 2008

Hold safety meeting w/rig crew. Rig up well check. Test BOP'S TO 5000'psi. Good test on pipe rams and blinds. Rig down well check service. Rig up wellhead isolation tools. Spot superior equipment on location. Shut down.

Mar 20, 2008

Drove to location. Frac. Pressure lines to 8000 psi, good test. Hold safety meeting w/ Frac crew & rig hands. Frac formation w/ 20/40 90,000# sd. Shut down, not reading sand on both inline and blender. Both decameters fixed. Continue to frac ½ PPG 20/40, 1 ppg 20/40, 1 ½ PPG, 2 PPG 20/40, 2 ½ PPG 20/40. ISIP 3614#, 5min 3358#, 10 min 3361#, 15 min 3382#, shut in 3383#. Total fluid pumped was 1050 bbls 3% KCl & ~ 2 mmscf N2. RD Frac Crew. Rig up flow line to flow back. Open well w/3400psi. Flow through 1/8 choke. Hold per job safety meeting w/ flow back hands. Turn well over to flow back hands. Pressure was 2750# at 6 am & flowed back 210 bbls load water and flowing N2, fluid, & no sand.

Mar 21, 2008

Flow Back well.

Mar 24, 2008

Get pressure reading of 1300 psi. Flow well on 1/8 choke for 30 min pressure @ 1100 psi. Shut well in & rig down stringer isolation tool. Rig up line on back side. Flow well through 1/8 choke for 30 min 800 psi. Change over to 3/16 choke, flow well 80 psi. Change to 2" line. Bleed down. Rig up B&R slink line. Run sinker bars & gauge ring id 2.229. Tag sand @ 5929' (171' of sand). POH w/slick line. Rig down B&R service. Pick up 2-7/8 N-80 tbg. Make up saw tooth on bottom. Sting float SN 1 jt up. Rabbit in the hole. Stop @ 2200 ft & secure well shut down.

Mar 25, 2008

Bleed down well. Pick up 55 jts 2-7/8", stop @ 3578'. Continue to move in air drilling equipment. Rig up equipment & lines, pressure test lines to 2500 psi, good test. Unload well @ 3578' w/N/2 & air. Stage in hole toward top of perms @ 5700'ft. Unload well w/ N2 & air. Secure well shut down.

Mar 26, 2008

Bleed well down. Tag @ 5939' pick up swivel, break circ w/N/2 & air. Unload well @ 5939'. Clean out sand from 5939' to PBTD @ 6100'.

Mar 27, 2008

Bleed well down. Open pipe rams & TIH, tag 2' of sand @ 6098'. Pick up swivel unload well. Clean out sand & blow well w/ N2 & 12 bbls mist. Hang swivel back TOOH w/tbg. Rig up B&R service and protechnics logging tool. Run tracer log from 6082' to 5700'ft. POOH w/logging tool. Secure well shut down.

Mar 28, 2008

Bleed down well. TIH w/ sawtooth collar & S/N one jt up. Tag @ 6094', 6' of sand. Pull above perms, stop @ 5745' Rig line from tbg flow well through separator. Secure well, shut down.

Mar 31, 2008

Rig up swab equipment. RIH w/sand line tag @ 3500'. Make 3 swab runs, kick well off. Flow well through flow back tank. Well died, make swab run. Tag no fluid. Flow well through separator. Secure well & shut down.

Apr 1, 2008

Bleed well down. Make swab run tag fluid @ 4500'. Rig down swab equipment. TIH & tag @ 6078'. Pull up to 5810', pick up swab equipment. Make swab run, tag no fluid. Rig down swab equipment. TOOH w/ 2-7/8" tbg. Secure well shut down.

Apr 2, 2008

Rig up Bluejet Wireline. Run in hole w/ gauge ring to 5780'. POOH w/ wireline. RIH w/ 5-1/2" composite plug, set @ 5770'. POOH w/ wireline. Load hole w/ 133 bbls of 3% KCL. Pressure test csg to 1000 psi & hold for 15 min. Perforate 1st shot 5738'-5730' & 5726'-5720'. 2nd run perforate 5687'-5682' & 5678'-5673'. Secure well Shut down.

Apr 3, 2008  
WO Frac.

Apr 4, 2008  
WO Frac.

Apr 7, 2008  
Stand by and wait on frac.

Apr 8, 2008  
Stand by and wait on frac

Apr 9, 2008  
Rig down rig floor & BOP. Nipple up stinger 5000 psi frac valve & flow T. Rig up Isolation tool. Secure tool & shut down.

Apr 10, 2008  
WO Frac.

Apr 11, 2008  
Hold safety meeting w/ frac crew. Pressure test lines to 8000 psi okay & start injection test. Well broke at 3953 at 8 bpm. Pump 26 bpm at 3850 psi & ISIP of 2920 psi on injection test. Start pad at 5490 psi, Start ½ ppg 20/40 at 5600 psi, start 1 ppg 20/40, start 1 ½ ppg 20/40 at 5225 psi, start 2 ppg 20/40 at 5712 psi, start 2.5 ppg 20/40 at 5690 psi. Could not pump fluid because both pumps lost prime. Tried to finish flush but pressured out in the process. Total flush was 30 bbls. Shut down ISIP 6836, 5 min 6500, 10 min 6300. Shut in 6000 psi. Bleed down lines. Rig up flow lines. Change out flow valve, pressure lines. Open Isolation tool flow through 1/8 choke at 4600 psi. Turn over to flow back hands.

Total frac was 41 bpm total & 33,000 scfpm N2. Total N2 pumped was 1.75 mmscf & total fluid was 1084 bbls. Total sand was 75,900 lbs 20/40 & 15,000 lbs 20/40 resin coated.

Apr 13, 2008  
Flow back well.

Apr 14, 2008  
Flow back well.

Apr 15, 2008  
Hold safety meeting w/rig crew. Get pressure reading of 900# & rig up B&R Service. Run in hole w/ sinker bars, tag up at 5252'. POH w/ sinker bars. RIH with pressure gauges. BHP of 1407 psi.

Start to flow through separator and in 30 mins, the flow rate was 508 MCFPD. Killed well w/ 35 bbls of 3% KCL. Nipple down frac valve & nipple up BOP. TIH w/ saw-tooth & unload 12 bbls of fluid at 3200'. Continue to TIH and tag at 5532'. Start to lay down jts for power swivel. Unload fluid and heavy sand. Clean up well @ 5532' for 1.5 hours. Well cleaned up at 5532'. Lay down 6 jts and pull stands. Stop at 5215' and secure well.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

**PROPRIETARY-CONFIDENTIAL** FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
CrownQuest Operating, LLC

3. ADDRESS OF OPERATOR:  
PO Box 2221 CITY Farmington STATE NM ZIP 87499

PHONE NUMBER:  
(505) 325-5750

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 619' x 1031' FEL

COUNTY: San Juan

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 17 37S 24E

STATE: UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER:  
UTU 84683

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:  
Montezuma 41-17-74 2X

9. API NUMBER:  
4303731874

10. FIELD AND POOL, OR WILDCAT:  
Wildcat

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate)  Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion: 5/3/2008	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The above well had first production on May 3, 2008.

NAME (PLEASE PRINT) Luke Dunn

TITLE Engineer

SIGNATURE

DATE 5/5/2008

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**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ FORM 8  
(highlight changes)

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

<b>1a. TYPE OF WELL:</b> OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU 84683
<b>b. TYPE OF WORK:</b> NEW WELL <input checked="" type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER _____		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME</b> n/a
<b>2. NAME OF OPERATOR:</b> CrownQuest Operating, LLC		<b>7. UNIT or CA AGREEMENT NAME</b>  
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 2221 CITY Farmington STATE NM ZIP 87499		<b>8. WELL NAME and NUMBER:</b> Montezuma 41-17-74 2X
<b>4. LOCATION OF WELL (FOOTAGES)</b> AT SURFACE: 619' FNL x 1031' FEL  AT TOP PRODUCING INTERVAL REPORTED BELOW:  AT TOTAL DEPTH:		<b>9. API NUMBER:</b> 4303731874
<b>10. FIELD AND POOL, OR WILDCAT</b> Wildcat		<b>11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> NENE 17 37S 24E
<b>12. COUNTY</b> San Juan		<b>13. STATE</b> UTAH

<b>14. DATE SPUNDED:</b> 10/4/2008	<b>15. DATE T.D. REACHED:</b> 10/20/2007	<b>16. DATE COMPLETED:</b> 5/3/08	ABANDONED <input type="checkbox"/> READY TO PRODUCE <input type="checkbox"/>	<b>17. ELEVATIONS (DF, RKB, RT, GL):</b>  
<b>18. TOTAL DEPTH: MD</b> 6,226 TVD	<b>19. PLUG BACK T.D.: MD</b> 6,226 TVD	<b>20. IF MULTIPLE COMPLETIONS, HOW MANY? *</b>		<b>21. DEPTH BRIDGE MD</b> PLUG SET: TVD

<b>22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)</b> Triple Combo, CBL, 4 5s Porosity Lithology, GR	<b>23.</b> WAS WELL CORED? NO <input type="checkbox"/> YES <input checked="" type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input type="checkbox"/> YES <input type="checkbox"/> (Submit copy)
---	--

24. CASING AND LINER RECORD (Report all strings set in well)									
HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
17.5	13 7/8	48	0	107		163	35	Surf	
12.5	9 5/8	36	0	1,974		490	166		
						200	42	Surf	
7.875	5 1/2	17	0	6,226		425	181		
						640	272	Surf	

25. TUBING RECORD								
SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-7/8	5,391							

26. PRODUCING INTERVALS					27. PERFORATION RECORD			
FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Pennsylvanian	5,402	5,738				0.32	168	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.	
DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
5402-36	1500 gal 15%, 1000 gal 7.5%, 106,000 lbs sand, 4 60 Q N2
5720-38	91,000 lbs sand 4 60 Q N2

<b>29. ENCLOSED ATTACHMENTS:</b> <input checked="" type="checkbox"/> ELECTRICAL/MECHANICAL LOGS <input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION <input type="checkbox"/> GEOLOGIC REPORT <input checked="" type="checkbox"/> CORE ANALYSIS <input type="checkbox"/> DST REPORT <input type="checkbox"/> OTHER: _____ <input type="checkbox"/> DIRECTIONAL SURVEY	<b>30. WELL STATUS:</b> <div style="font-size: 2em; text-align: center;">Producing</div>
---	---

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MAY 27 2008

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## 31. INITIAL PRODUCTION

### INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 5/3/2008		TEST DATE: 5/4/2008		HOURS TESTED: 24		TEST PRODUCTION RATES: →		OIL – BBL: 0		GAS – MCF: 31		WATER – BBL: 0		PROD. METHOD: Flowing	
CHOKE SIZE: 1/64	TBG. PRESS. 1,200	CSG. PRESS. 800	API GRAVITY 0.79	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 31	WATER – BBL: 0	INTERVAL STATUS:					

### INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

### INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

### INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

## 32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

**Sold**

## 33. SUMMARY OF POROUS ZONES (Include Aquifers):

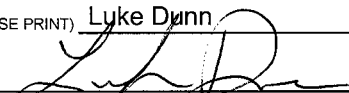
Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Honaker Trails	4,686	5,874	Oil, Gas, and Brine	Chinle	1,974
Ismay	5,874	6,071	Oil, Gas, and Brine	Shinarump	2,586
Desert Creek	6,071	6,218	Oil, Gas, and Brine	Honaker Trails	4,686
				Upper Ismay	5,874
				Desert Creek	6,071

## 35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) Luke Dunn TITLE Engineer  
 SIGNATURE  DATE 5/22/2008

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

\* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

\*\* ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining  
 1594 West North Temple, Suite 1210  
 Box 145801  
 Salt Lake City, Utah 84114-5801

Phone: 801-538-5340  
 Fax: 801-359-3940



SCAL, Inc

### Drilled Sidewall Core Analysis Report

Company : Crown Quest Operating, LLC

File No. : 07739

Well : Montezuma 41-17-74 2X

Location : 619' FNL & 1031' FEL

Sample Number	Depth	Grain Density	Porosity	Air Perm	Kk Perm
	ft	g/cc	%	mD	mD
<b>Confining Pressure 500psi</b>					
1	4,598.0	2.68	16.31	0.2513	0.1908
2	4,603.5	2.67	18.32	29.0	26.6
3	4,680.0	2.65	13.45	1.71	1.46
4	4,739.0	2.66	16.15	0.3264	0.2515
5	4,741.0	2.66	6.40	0.0876	0.0599
6	4,743.0	2.65	10.34	0.1628	0.1197
7	5,405.0	2.65	14.23	0.3540	0.2750
8	5,407.0	2.68	11.33	0.1797	0.1312
9	5,409.0	2.66	13.45	0.2713	0.2073
10	5,502.5	2.70	2.33	0.4155	0.3383
11	5,509.0	2.60	2.04	770 (f)	735 (f)
12	5,515.0	2.71	17.87	0.0805 (f)	0.0513 (f)
13	5,588.5	2.63	1.28	0.0061	0.0026
14	5,591.0	2.63	3.55	0.0093	0.0043
15	5,592.0	2.61	2.69	0.0110	0.0052
16	5,628.0	2.64	0.49	0.0060	0.0009
17	5,633.5	2.67	13.83	394 (f)	369 (f)
18	5,637.5	2.72	11.14	1.14	0.9420
19	5,682.0	2.70	2.95	0.0183	0.0094
20	5,684.0	2.75	4.93	0.0960	0.0652
21	5,865.0	2.58	1.39	0.1446	0.1013
22	5,867.0	2.62	0.70	0.0058	0.0024
23	5,869.0	2.61	0.30	0.0044	0.0017
24	5,871.0	2.61	4.40	0.0215	0.0113
25	5,871.1	2.63	0.92	0.0092	0.0041
26	5,872.0	2.59	1.03	0.0070	0.0030
27	5,873.0	2.55	7.06	4159 (f)	4125 (f)
28	5,972.0	2.73	1.77	82.2 (f)	79.6 (f)
29	5,973.0	2.77	7.82	0.0247	0.0133
30	5,974.0	2.81	7.54	0.0162	0.0076
31	5,983.0	2.64	0.46	0.0117	0.0056
32	5,987.5	2.61	1.94	0.0038	0.0015

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>UTU 84683</b>
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <b>N/A</b>
1. TYPE OF WELL <b>OIL WELL</b> <input type="checkbox"/> <b>GAS WELL</b> <input checked="" type="checkbox"/> <b>OTHER</b> _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: <b>Crownquest Operatng, LLC</b>		8. WELL NAME and NUMBER: <b>Montezuma 41-17-74 2X</b>
3. ADDRESS OF OPERATOR: <b>P.O. Box 2221</b> CITY <b>Farmington</b> STATE <b>NM</b> ZIP <b>87499</b>		9. API NUMBER: <b>4303731874</b>
4. LOCATION OF WELL  FOOTAGES AT SURFACE: <b>619' FNL x 1031' FEL</b>		10. FIELD AND POOL, OR WILDCAT: <b>Pennsylvanian</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NENE 17 37S 24E</b>		COUNTY: <b>San Juan County</b>
		STATE: <b>UTAH</b>

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> (Submit in Duplicate)  Approximate date work will start: <b>7/1/2013</b>	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input checked="" type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input type="checkbox"/> OTHER: _____
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> (Submit Original Form Only)  Date of work completion:			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

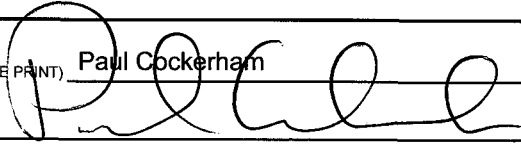
Crownquest Operating, LLC would like to P&A the Montezuma 41-17-74 2X well with the permission of the BLM. Operations will be completed as soon as A-Plus Well Service is available. Attached is the P&A procedure and the well bore diagram.

**COPY SENT TO OPERATOR**

Date: 6-7-2013

Initials: KS

**RECEIVED**  
**MAY 23 2013**  
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <b>Paul Cockerham</b>	TITLE <b>Drilling Engineer</b>
SIGNATURE 	DATE <b>5/20/2013</b>

(This space for State use only)  
**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**

**Federal Approval Of This**  
**Action Is Necessary**

Date: 6/4/2013  
By: [Signature]

Montezuma 2X 41-17-74  
Plugging Procedure

See attached well bore diagram.

1. MIRU pulling unit.
2. ND well head, NU BOPE.
3. TIH open ended to 6,121'.

Plug #1 – Desert Creek Upper

4. Spot 25 sks class 'G' balanced plug, inside casing, 6,121' – 6,021'.
5. POOH to 5,924'.

Plug #2 – Ismay

6. Spot 25 sks class 'G' balanced plug, inside casing, 5,924' – 5,824'.
7. POOH to 5,575'.

Plug #3 – La Sal

8. Spot 25 sks class 'G' balanced plug, inside casing, 5,575' – 5,475'.
9. POOH to 4,700'.

Plug #4 – Honaker

10. Spot 25 sks class 'G' balanced plug, inside casing, 4,700' – 4,600'.
11. POOH to 2,640'.

Plug #5 - Shinarump and Base of Surface casing.

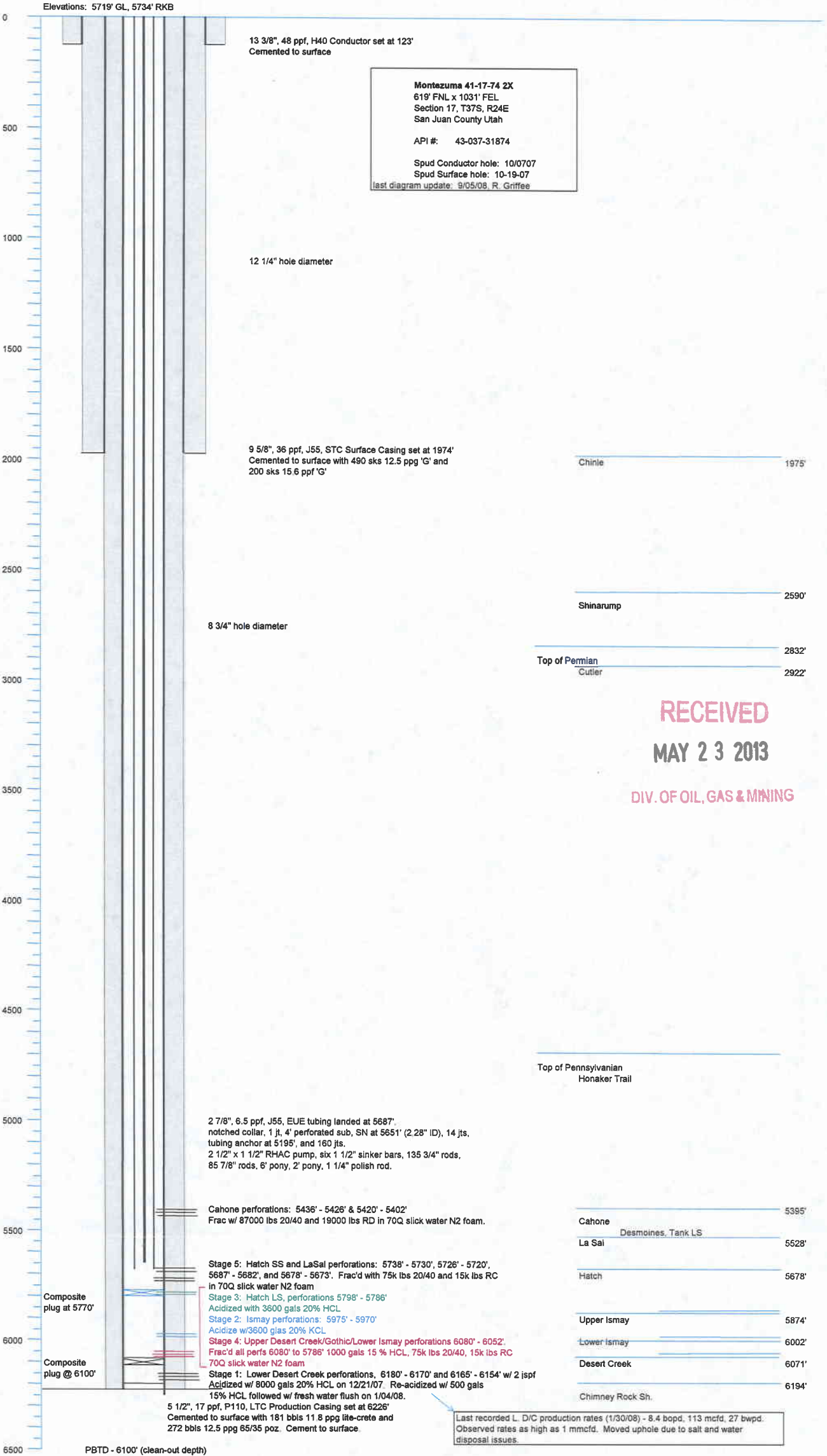
12. Spot 25 sks class 'G' balanced plug, inside casing, 2,640' – 2,540'.
13. POOH to 110'.

Plug #6 - Surface

14. Bull head 25 sks class 'G' down casing.

15. Cut off well head. Cut off casing 6' below ground level. Weld dry-hole plate on top of casing. Plate to contain the following information:
  - a. Well Name
  - b. Legal location
  - c. API #
  - d. Lease #

P. Cockerham  
5/16/2013



<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU 84683
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> CROWNQUEST OPERATING, LLC		<b>7. UNIT or CA AGREEMENT NAME:</b>
<b>3. ADDRESS OF OPERATOR:</b> 303 Veterans Airpark Ln Ste 5100 , Midland, TX, 79705		<b>8. WELL NAME and NUMBER:</b> MONTEZUMA 41-17-74 2X RIGSKID
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0619 FNL 1031 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NENE Section: 17 Township: 37.0S Range: 24.0E Meridian: S		<b>9. API NUMBER:</b> 43037318740000
<b>PHONE NUMBER:</b> 432 818-0300 Ext		<b>9. FIELD and POOL or WILDCAT:</b> WILDCAT
<b>COUNTY:</b> SAN JUAN		<b>STATE:</b> UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 11/21/2016  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE  <input type="checkbox"/> CHANGE TO PREVIOUS PLANS  <input type="checkbox"/> CHANGE WELL STATUS  <input type="checkbox"/> DEEPEN  <input type="checkbox"/> OPERATOR CHANGE  <input type="checkbox"/> PRODUCTION START OR RESUME  <input type="checkbox"/> REPERFORATE CURRENT FORMATION  <input type="checkbox"/> TUBING REPAIR  <input type="checkbox"/> WATER SHUTOFF  <input type="checkbox"/> WILDCAT WELL DETERMINATION         </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING  <input type="checkbox"/> CHANGE TUBING  <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS  <input type="checkbox"/> FRACTURE TREAT  <input type="checkbox"/> PLUG AND ABANDON  <input type="checkbox"/> RECLAMATION OF WELL SITE  <input type="checkbox"/> SIDETRACK TO REPAIR WELL  <input type="checkbox"/> VENT OR FLARE  <input type="checkbox"/> SI TA STATUS EXTENSION  <input checked="" type="checkbox"/> OTHER         </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR  <input type="checkbox"/> CHANGE WELL NAME  <input type="checkbox"/> CONVERT WELL TYPE  <input type="checkbox"/> NEW CONSTRUCTION  <input type="checkbox"/> PLUG BACK  <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION  <input type="checkbox"/> TEMPORARY ABANDON  <input type="checkbox"/> WATER DISPOSAL  <input type="checkbox"/> APD EXTENSION         </div> </div>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  Well is back on production as of November 21, 2016.		
Accepted by the Utah Division of Oil, Gas and Mining <b>FOR RECORD ONLY</b> December 23, 2016		
<b>NAME (PLEASE PRINT)</b> Jeremy Divine	<b>PHONE NUMBER</b> 432 557-6778	<b>TITLE</b> Foreman
<b>SIGNATURE</b> N/A	<b>DATE</b> 12/13/2016	

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

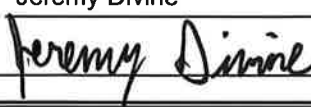
FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>UTU 84683</b>	
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
		7. UNIT or CA AGREEMENT NAME:	
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.			
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: <b>Montezuma 41-17-74 2X</b>	
2. NAME OF OPERATOR: <b>Crownquest Operating LLC</b>		9. API NUMBER: <b>4303731874</b>	
3. ADDRESS OF OPERATOR: P. O. Box 2221 CITY <b>Farmington</b> STATE <b>NM</b> ZIP <b>87499</b>		PHONE NUMBER: <b>(505) 325-5750</b>	10. FIELD AND POOL, OR WILDCAT: <b>Wildcat</b>
4. LOCATION OF WELL			
FOOTAGES AT SURFACE: <b>619 FNL x 1031' FEL</b>		COUNTY: <b>San Juan</b>	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NENE 17 37S 24E</b>		STATE: <b>UTAH</b>	

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate)  Approximate date work will start:  	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion:  <b>1/14/2014</b>	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

CrownQuest Operating LLC plugged and abandoned the Montezuma 41-17-74 2X on 1/14/2014. Attached are the reports and cement volumes.

NAME (PLEASE PRINT) <b>Jeremy Divine</b>	TITLE <b>Foreman</b>
SIGNATURE 	DATE <b>1/4/2017</b>

(This space for State use only)

## INSTRUCTIONS

**This form shall be submitted by the operator to show the intention and/or completion of the following:**

- miscellaneous work projects and actions for which other specific report forms do not exist;
- all other work and events as identified in section 11, Type of Action, or as required by the Utah Oil and Gas Conservation General Rules, including:
  - minor deepening of an existing well bore,
  - plugging back a well,
  - recompleting to a different producing formation within an existing well bore (intent only),
  - reperforating the current producing formation,
  - drilling a sidetrack to repair a well,
  - reporting monthly the status of each drilling well.

**This form is not to be used for proposals to**

- drill new wells,
- reenter previously plugged and abandoned wells,
- significantly deepen existing wells below their current bottom-hole depth,
- drill horizontal laterals from an existing well bore,
- drill hydrocarbon exploratory holes such as core samples and stratigraphic tests.

**Use Form 3, Application for Permit to Drill (APD) for such proposals.**

**NOTICE OF INTENT** - A notice of intention to do work on a well or to change plans previously approved shall be submitted in duplicate and must be received and approved by the division before the work is commenced. The operator is responsible for receipt of the notice by the division in ample time for proper consideration and action. In cases of emergency, the operator may obtain verbal approval to commence work. Within five days after receiving verbal approval, the operator shall submit a Sundry Notice describing the work and acknowledging the verbal approval.

**SUBSEQUENT REPORT** - A subsequent report shall be submitted to the division within 30 days of the completion of the outlined work. Specific details of the work performed should be provided, including dates, well depths, placement of plugs, etc.

**WELL ABANDONMENT** - Proposals to abandon a well and subsequent reports of abandonment should include reasons for the abandonment; data on any former or present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, and method of parting of any casing, liner, or tubing pulled and the depth to top of any left in the hole; method of closing top of well; and date well site conditioned for final inspection looking to approval of the abandonment.

In addition to any Sundry Notice forms submitted, **Form 8, Well Completion or Recompletion Report and Log** must be submitted to the division to report the results of the following operations:

- completing or plugging a new well,
- reentering a previously plugged and abandoned well,
- significantly deepening an existing well bore below the current bottom-hole depth,
- drilling horizontal laterals from an existing well bore,
- drilling hydrocarbon exploratory holes such as core samples and stratigraphic tests,
- recompleting to a different producing formation.

Send to:

Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ FORM 8  
(highlight changes)

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>UTU 84683</b>	
b. TYPE OF WORK: NEW WELL <input type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER <b>P&amp;A</b>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR: <b>Crownquest Operating LLC</b>		7. UNIT or CA AGREEMENT NAME	
3. ADDRESS OF OPERATOR: <b>P.O. Box 2221</b> CITY <b>Farmington</b> STATE <b>NM</b> ZIP <b>87499</b>		8. WELL NAME and NUMBER: <b>Montezuma 41-17-74 2X</b>	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: <b>619' FNL x 1031' FEL</b>  AT TOP PRODUCING INTERVAL REPORTED BELOW:  AT TOTAL DEPTH:		9. API NUMBER: <b>4303731874</b>	
10. FIELD AND POOL, OR WILDCAT <b>Wildcat</b>		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NENE 17 37S 24E</b>	
12. COUNTY <b>San Juan</b>		13. STATE <b>UTAH</b>	
14. DATE SPUDDED:	15. DATE T.D. REACHED:	16. DATE COMPLETED:	17. ELEVATIONS (DF, RKB, RT, GL):
		ABANDONED <input type="checkbox"/> READY TO PRODUCE <input type="checkbox"/>	
18. TOTAL DEPTH: MD TVD	19. PLUG BACK T.D.: MD TVD	20. IF MULTIPLE COMPLETIONS, HOW MANY? *	21. DEPTH BRIDGE PLUG SET: MD TVD
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)		23. WAS WELL CORED? NO <input type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input type="checkbox"/> YES <input type="checkbox"/> (Submit copy)	

### 24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
17.5	13 7/8	48		107		163	35	surf	
12.5	9 5/8	36		1,974		490	166		
						200	42	surf	
7.875	5 1/2	17		6,226		425	181		
						640	272	surf	

### 25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8	5,692							

### 26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) <b>Pennsylvanian</b>	<b>5,402</b>	<b>5,738</b>			<b>5,402 5,738</b>	<b>.32</b>	<b>168</b>	Open <input type="checkbox"/> Squeezed <input checked="" type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

### 27. PERFORATION RECORD

### 28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

WAS WELL HYDRAULICALLY FRACTURED? YES ☐ NO ☒ IF YES - DATE FRACTURED: \_\_\_\_\_

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
<b>5402-36</b>	<b>1500 gal 15%, 1000gal 7.5%, 106,000 lbs sand, 4 60 Q N2</b>
<b>5720-38</b>	<b>91,000 lbs sand 4 60 Q N2</b>

### 29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS      ☐ GEOLOGIC REPORT      ☐ DST REPORT      ☐ DIRECTIONAL SURVEY  
☒ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION      ☐ CORE ANALYSIS      ☒ OTHER: **P&A Reports**

### 30. WELL STATUS:

**P&A**



**31. INITIAL PRODUCTION****INTERVAL A (As shown in item #26)**

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

**INTERVAL B (As shown in item #26)**

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

**INTERVAL C (As shown in item #26)**

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

**INTERVAL D (As shown in item #26)**

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

**32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)****33. SUMMARY OF POROUS ZONES (Include Aquifers):**

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

**34. FORMATION (Log) MARKERS:**

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Honaker Trails	4,686	5,874	oil, gas brine	Chinle	1,974
Ismay	5,874	6,071	oil, gas, brine	Shinarump	2,586
Desert Creek	6,071	6,218	oil, gas, brine	Honaker Trails	4,686
				Upper Ismay	5,874
				Desert Creek	6,071

**35. ADDITIONAL REMARKS (Include plugging procedure)**

Well was P&A'ed on 1/14/14

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) Jeremy Divine

TITLE Foreman

SIGNATURE \_\_\_\_\_

DATE 1/4/2017

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation

- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

\* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

\*\* ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

**31. INITIAL PRODUCTION****INTERVAL A (As shown in item #26)**

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

**INTERVAL B (As shown in item #26)**

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

**INTERVAL C (As shown in item #26)**

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

**INTERVAL D (As shown in item #26)**

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

**32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)****33. SUMMARY OF POROUS ZONES (Include Aquifers):**

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

**34. FORMATION (Log) MARKERS:**

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Honaker Trails	4,686	5,874	oil, gas brine	Chinle	1,974
Ismay	5,874	6,071	oil, gas, brine	Shinarump	2,586
Desert Creek	6,071	6,218	oil, gas, brine	Honaker Trails	4,686
				Upper Ismay	5,874
				Desert Creek	6,071

**35. ADDITIONAL REMARKS (Include plugging procedure)**

Well was P&A'ed on 1/14/14

**36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.**NAME (PLEASE PRINT) Jeremy DivineTITLE ForemanSIGNATURE DATE 1/4/2017

This report must be submitted within 30 days of

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**CrownQuest**  
**DAILY OPERATIONS REPORT**

**Montezuma # 2X**

Printed Jul 14, 2015 Page 1 of 3

**Montezuma # 2X**

San Juan Co., UT

Property#: 870600-0002

Zone: 1 Field:

**P&A**

Jan 6, 2014 Monday (Day 1)

A-Plus Rig #4

MIRU PU from Farmington yard, notified Utah BLM and State of Utah, open well, no pressures, change over pipe rams to 2 7/8", RU hydraulic BOP lines, test pipe and blind rams, CWIFN.

Daily Cost: \$9,070

Cum. Cost: \$9,070

Jan 7, 2014 Tuesday (Day 2)

A-Plus Rig #4

Travel to location, J. Brown w/ BLM on location, rig spotted on Montezuma 41-17-74, move over to 2X, start well inspection, 0 psi tbg, 1000 psi csg, dig out braden head, RU relief lines, blow well down, pressure test tbg to 1000 psi, good test, RU to pull rods, lay dn polish rod, work pump free, POOH and laid down 86-7/8" rods, 135- 3/4" rods, 6- c-bars and pump, CWIFN

Daily Cost: \$9,070

Cum. Cost: \$18,140

Jan 8, 2014 Wednesday (Day 3)

A-Plus Rig #4

J. Brown w/ BLM on location. Check well pressures, 0 tbg, 440 csg, kill well w/ 25 bbls water, ND WH, NU BOP, function test BOP, TOOH w/ 162 jts 2 7/8" tbg, 5.5" TAC, 12 jts 2 7/8" tbg, SN, perf sub and MA, 175 JIW landed at 5692', TIH, tagged high at 5706'. Note J. Brown w/ BLM approved procedure change, RU sandline, RIH, tag fluid at 5000', spot plug #1 w/ estimated TOC at 5272', CWIFN.

Daily Cost: \$9,070

Cum. Cost: \$27,210

**CrownQuest**  
**DAILY OPERATIONS REPORT**

**Montezuma # 2X**

Printed Jul 14, 2015 Page 2 of 3

**Montezuma # 2X**

San Juan Co., UT

Property#: 870600-0002

Zone: 1 Field:

Jan 9, 2014 Thursday (Day 4)

A-Plus Rig #4

Travel to location, J. Brown w/ BLM on location, check well pressures, tbg & BH 0 psi, csg- 70 psi, attempt to PT BH, lost 40 psi p/min, no test, TIH and tagged cement low at 5563'. Note Paul C. & Jeff Brown BLM approved procedure change, established circulation, attempt to PT casing, leak, spot plug #1a w/ ESTIMATED toc AT 5202' si WELL, woc, TAG IN am, attempt to PT braden head, no test. CWIFN.

Plug #1 (combined w/ #2 & #3) 48 sxs 56.64 cf class B cement inside casing from 5706' to 5272' to cover Desert Creek, Ismay & La Sal tops, tag low at 5563'.

Plug #1A 40 sxs 47.2 cf Class B cement w/ 2% CaCL inside casing from 5563' to 5202 to cover Ismay & La Sal tops, Tag TOC at 5194'.

Daily Cost: \$9,070

Cum. Cost: \$36,280

Jan 10, 2014 Friday (Day 5)

A-Plus Rig #4

J. Brown w/ BLM on location. Open well, no pressures, TIH tag cement at 5194', establish circulation, PT csg to 800 psi, good test, mix mud to 9#, pump mud spacer from TOC to 4689', establish circulation, spot plug #4 w/ estimated TOC at 4474', perforate 3 bi-wire holes at 2028', attempt to establish rate, pressured up to 1500 psi, attempted to surge pump from 1250 psi to 1500 psi, would not break down, Note Jeff Brown and Paul C. approved procedure change, TIH to 2083', establish circulation, spot corrosion inhibitor as spacer, spot plug #5 w/ estimated TOC at 1857', CWIFN.

Plug #4: 25 sxs 29.5 cf Class B cement inside casing from 4700' to 4474', displace w/ 9# mud to cover Honaker Trail.

Plug #5: 25 sxs 29.5 cf Class B cement from 2083' to 1857' displaced w/ corrosion inhibitor to cover casing shoe.

Daily Cost: \$9,070

Cum. Cost: \$45,350

**CrownQuest**  
**DAILY OPERATIONS REPORT**

**Montezuma # 2X**

Printed Jul 14, 2015 Page 3 of 3

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**Montezuma # 2X**

San Juan Co., UT

Property#: 870600-0002

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Zone: 1 Field:

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Jan 13, 2014 Monday (Day 6)

A-Plus Rig #4

J. Brown w/ BLM on location. Open well, no pressures, establish circulation, spot plug #6 w/ estimated TOC at surface, dig out well head, perform hot work permit, cut off well head, found cement at surface, Note: Jeff Brown approved procedure change, poly pipe 10' from surface in 5.5" csg, spot plug #7 and weld on P&A marker. SDFN.

Plug #6: 24 sxs 28 cf Class B cement inside casing from 112' to surface.

Plug #7: 16 sxs class B cement to top off surface.

Daily Cost: \$9,070

Cum. Cost: \$54,420

Jan 14, 2014 Tuesday (Day 7)

A-Plus Rig #4

J. Brown w/ BLM on location. Road rig, equipment, tbg and rods back to Farmington yard. unloaded well head, tbg and rods off at CQ Farmington yard. Coal Bed Creek Construction dismantled battery and PU, hauled all equipment to CQ yard in Dove Creek. Final Report.

Daily Cost: \$17,220

Cum. Cost: \$71,640

**Well Service Report**

Printed: 7/14/2015

**Montezuma # 2X**

Property#: 870600-0002 API # 4303731874

Event Date	<b>1/6/2014</b>	Classification	<b>Unclassified</b>	AFE	<b>Downtime &amp; Latest Production Test</b>	
Fail Date		Category	<b>SubSurface</b>	AFE	Prod. Off	Oil
Start Date	<b>1/6/2014</b>	Reason		Frmn	Prod. O	Gas
End Date	<b>1/14/2014</b>	Status		Beat	Days Off	Wtr
Service Co	<b>Other</b>	<b>Failure Review</b>		Failed Item	Brand	
Yard	<b>N.Mexico</b>	Type Failure		Failed Part	Coating	
Unit #	<b>4</b>	Failure Cause 1		Size / Grad	Area Failed	
Operator	<b>Phillip</b>	Failure Cause 2		Description	Failure Depth	
Hrs.					Updated	Jul 14, 2015 11:36 am

**Overview**

P&amp;A

**Cost (All Days)**

Expense Item	Cost
Location	8,150
Rig	63,490
<b>Total Cost</b>	<b>\$71,640</b>